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East Asia

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Japan

Further on Trade Disputes With United States

Kaifu Comments on SII Debate

OW3103082890 Tokyo KYODO in English 0653 GMT 31 Mar 90

[Text] Osaka, March 31 KYODO—Prime Minister Toshiki Kaifu on Saturday said intragovernment debate on Japan's response to U.S. demands on revising structural trade impediments is drawing to a close. The prime minister, meeting reporters after attending the opening ceremony of an international flower exposition here, reiterated his intention to make a final political decision on Japan's response.

Kaifu said negotiations on U.S. demands to abolish the Large-Scale Retail Stores Law and boost public spending to 8 percent of GNP had reached an "extremely sensitive point."

U.S. and Japanese negotiators meet in Washington for a new round in the Structural Impediments Initiative (SII) talks on Monday, the deadline for a midterm progress report on the talks.

Ruling Liberal Democratic Party [LDP] members and ministry bureaucrats are holding last-ditch consultations through the weekend to hammer out suggestions for the report.

Finance Ministry officials have balked at the size of public spending request, and ruling party legislators who depend on votes from small retail store owners are resisting changes in the law. "To what extent and what we actually do will become clear on April 2 and 3 (during the talks)," Kaifu said.

In a brief reference to domestic affairs, the prime minister said he would seek common ground between LDP plans to revise the controversial consumption tax and opposition suggestions for an indirect levy to be applied on different products.

'Limited Progress' Made in Talks

OW0304235690 Tokyo KYODO in English 2334 GMT 3 Apr 90

[By Shiro Yoneyama]

[Text] Washington, April 3 KYODO—Japanese and American officials made limited progress Tuesday in talks on structural barriers to trade, but U.S. officials said they do not know when the talks will end and a progress report be released. A U.S. spokesman said Japan and the U.S. will "continue to work this week" despite progress in the Structural Impediments Initiative (SII) talks at the State Department, which began Monday and are scheduled to end Tuesday.

"We still have serious talks to be done and areas of work to be done. We don't know whether the talks will be concluded tonight," the spokesman said.

Japanese officials said the remaining contentious areas include the issue of Japan's Large-Scale Retail Stores Law, which the U.S. cites as a major example of structural impediments to trade and investment in Japan.

The White House said President George Bush has scheduled a 30-minute meeting with Prime Minister Toshiki Kaifu's special envoy, Nobuo Matsunaga, at 1 p.m. on Wednesday.

Matsunaga, who was Japanese ambassador to Washington until last December, met with U.S. Trade Representative Carla Hills, Commerce Secretary Robert Mosbacher and Bush's Chief of Staff John Sununu on Tuesday. These meetings were meant to convey Kaifu's thinking about the importance of the SII dialogue, Japanese officials said.

Japanese and U.S. negotiators resumed the SII talks Tuesday morning after only a few hours of sleep. The Monday session lasted until well after midnight.

Officials said the Japanese and U.S. negotiators spent most of Tuesday afternoon discussing the distribution system, which the U.S. says has sharply raised the prices of both domestic and imported goods in the Japanese market. "Repealing the Large-Retail Stores Act is one way" to facilitate the opening of the Japanese market, Hills told reporters on Tuesday morning.

"There are other ways that they could deal with the impediments to distribution by newcomers which just happen to include Americans," she said. She declined to say when the interim SII report will be out.

Japanese delegates to the full-scale SII talks, the fourth in a series, said the dialogue is designed to benefit Japanese consumers and raise their standards of living.

A change in the Large-Scale Retail Stores Law, a boost in public works spending, and other measures Japan is proposing in the talks are not being taken under the threat of U.S. retaliation, they said.

Satellite Agreement Reached

OW0304233190 Tokyo KYODO in English 2307 GMT 3 Apr 90

[Text] Washington, April 3 KYODO—Japan on Tuesday reached Agreement with the United States on allowing foreign firms to bid on official and quasi-governmental procurements for satellites. The agreement came after hours of negotiations between Japanese and American trade officials throughout Monday and Tuesday morning.

The accord permits U.S. and other foreign satellite companies to participate in bidding for Japanese Government satellite procurement contracts, except for research and development satellites, Japanese officials said. They said the agreement also calls for Japan to develop a new communications and weather satellite codenamed CS-4 as a purely experimental satellite.

Japan also promised the U.S. to guarantee open and transparent procurement procedures for commercial satellites to be employed by Nippon Telegraph and Telephone (NTT), the quasi-governmental monopoly. Washington has branded the Japanese Government's satellite procurement policies as an unfair trade practice under the Super 301 provision of the 1988 U.S. Trade Act.

The two countries earlier reached agreement on another Super 301 case involving Japan's supercomputer procurement policies. But Tokyo and Washington have yet to resolve a third Super 301 dispute over the Japanese market in forest products.

Satellite Program Heads for Cuts

OW0404075290 Tokyo KYODO in English 0702 GMT 4 Apr 90

[Text] Tokyo, April 4 KYODO— Science officials met Wednesday to discuss limits imposed by a U.S.-Japan agreement which signal a major overhaul in Japan's satellite development program. The accord reached Tuesday restricts government-backed development to academic-use satellites with less than a three-year life span. It also offers equal access to both foreign and domestic makers in the satellite market.

Science and technology agency officials are expected to complete revised plans for the 1990 fiscal year by mid-April.

Due to the accord, the governmental National Space Development Agency (NASDA) will have to scrub plans for the 1995 launch of two new communications satellites, the CS-4a and CS-4B. The accord also shelves a planned 1993 launching of workhorse H-2 rocket and puts a post-1997 launch of a Japan Broadcasting Corporation (NHK) replacement satellite in doubt.

Officials are expected to integrate some of the CS-4's capabilities with an experimental data relay and trace satellite project also set to launch in 1995. The CS-4 boasts fixed and rotational communications technology capable of using several advanced frequency bands.

Nippon Telegraph and Telephone Corp. (NTT) was to finance some three-fourths or about 67.5 million yen of the CS-4 project, the remainder coming from government funds. Designed as a replacement for NTT's CS-3 satellite, the project also aimed at the development of high-speed satellite communications technology.

Under the accord, bidding for government procurement contracts for all long-life satellites for nonresearch usage is open to Japanese and foreign manufacturers. Japanese makers are expected to face stiff competition from U.S. and other satellite makers.

Amorphous Metals Market Viewed

OW0404020390 Tokyo KYODO in English 1055 GMT 3 Apr 90

[By Mitsuru Mabuchi]

[Text] Tokyo, April 3 KYODO—With Japan's ongoing multitier trade talks with the United States showing little sign of a successful denouement, the U.S. has announced that it will soon raise the curtain on another dispute. U.S. Trade Representative [USTR] Carla Hills made clear in an annual report on foreign trade barriers that Japan will again be the primary target on the next hit list under the so-called "Super 301" provision of the 1988 Trade Act, which empowers the U.S. Government to retaliate against "unfair traders."

While most of the "watch list" items in the USTR report released Friday are repeats from last year, some new entries, especially amorphous metals, have caught the eye of Japanese trade officials as probable "Super 301" targets.

But the U.S. claim that Japan shuts foreign makers out of its budding amorphous metals market has drawn more scoffs than worry from the Japanese quarters concerned. One senior government official called it "hocus pocus."

The U.S. charge that Japan's amorphous metals market is "closed" is based on a complaint filed in March with the USTR by Allied-Signal Inc., which claimed Japan is trying to exclude U.S. makers from its multibillion dollar market for advanced materials. The New Jersey-based maker of engineered materials held that Japan has organized and financed a group of 34 companies to develop a Japanese product to compete with its own amorphous metal alloys.

The firm also said Japan "manipulated" its patent system to delay Allied-Signal's acquisition of a Japanese patent. It took 11 years for the company to obtain a vital patent for the alloy in Japan, it said. During that time, Allied-Signal contended, Japanese companies worked to duplicate the technology.

Japan also has "discouraged the purchase of Allied-Signal's amorphous alloys," according to the firm's petition.

Amorphous metals, produced through the rapid cooling [of] rapidly melted metals, are noncrystalline alloys with neither definite form nor structure. They are widely used to make high-quality magnetic heads for tape recorders and video tape recorders. But the most promising and lucrative future application is believed to be as highly effective core materials for electrical power distribution transformers.

Allied-Signal's grumblings about the Japanese market apparently stem from frustration over the failure of its sales of amorphous alloys for transformer cores to stage the spectacular leap the firm had expected.

Nippon Amorphous Metals Co., Allied-Signal's Japanese subsidiary, currently sells a mere 10 metric tons a year of amorphous alloys for transformer cores in a market for which it estimates the potential to be 30,000 tons. But Japanese users of such transformers, the electric power companies, say the market is still quite small because transformers using amorphous metals in their cores are still in the research and development phase.

Tokyo Electric Power Co. is currently testing 20 transformers with cores made of amorphous metals produced by the U.S. company. Company spokesman Ryoji Yoshida says, "You have to conduct lengthy tests before deciding on full introduction of such wide-use products."

Only about 25,000 of the some 40 million electric transformers in the U.S. have amorphous alloy cores, Yoshida pointed out. He said Tokyo Electric is likely to use large amounts of Allied- Signal's products if the ongoing experiment proves favorable.

Yoshida said the U.S. maker's demand for more greater sales "now" is a "completely irrational demand."

Allied-Signal's claim that Japan manipulates its patent system also drew disdain from government officials. Kenji Iwatani of the Ministry of International Trade and Industry's Iron and Steel Production Division called the argument "pure fabrication." Although the U.S. firm submitted an application for a patent in 1973, it did not request examination of the application until 1977, Iwatani said. Such requests are a required step to start the Patent Office's legal procedures for determining whether or not to grant a patent.

Furthermore, according to Patent Office officials, the company's application was published three years after the request was filed, not a long time by Japanese standards. In any case, after the public announcement of an application, the applicant is afforded legal protection similar to that provided by a patent.

One fact that is not disputed is that the Japanese Government did back research by Japanese companies to develop amorphous metals technology. But an official of Research Development Corp. of Japan, which financed the project, insists that the technology developed by Japanese firms is based entirely on ideas put forth by a Japanese researcher at Tohoku University before Allied-Signal's patent application was made public in Japan. A senior official of the semigovernmental organization said, "Allied-Signal has no grounds whatever to stand on."

Third Day of Structural Talks

OW0404063990 Tokyo KYODO in English 0616 GMT 4 Apr 90

[By Shiro Yoneyama]

[Text] Washington, April 4 KYODO—Talks on structural barriers to trade between Japan and the United States extended into an unscheduled third day early Wednesday as officials desperately tried to complete an interim report. Japanese and U.S. negotiators agreed shortly after 1 a.m. to temporarily suspend their their Structural Impediments Initiative (SII) talks until 10 A.M. The two-day meeting had been scheduled to end on Tuesday.

A Japanese participant in the talks said both sides were working out their differences over wording of the interim report on ways to drop structural barriers to trade and investment in the world's two largest economies. He said the issue of Japan's Large-Scale Retail Stores Law remained the major stumbling block to the proposed report, which will be followed by a final SII report in July.

Reporters and cameramen were prohibited from approaching the State Department conference hall where the talks are being held and were later ordered to leave the building.

Japanese and U.S. negotiators also tackled "keiretsu" or interlocking business relationships, and the price mechanism in Japan, which are viewed by U.S. officials as blocking fair access to the Japanese market for American and other foreign products.

Tokyo and Washington have launched the SII exercise in the hope that it will help to eliminate their trade imbalance, which has been consistently in Japan's favor in recent years. The U.S. trade gap with Japan totaled 49 billion dollars last year, according to the Commerce Department.

While the SII talks dragged on, another group of Japanese and U.S. trade officials successfully settled a dispute over foreign access to the official Japanese satellite market. The sector is one of three "Super 301" cases that the two countries have negotiated. The other two sectors are supercomputers and forest products.

Progress on Interim Report Noted

OW0404102290 Tokyo KYODO in English 0937 GMT 4 Apr 90

[By Shiro Yoneyama]

[Text] Washington, April 4 KYODO—Japan and the United States decided early Wednesday to extend talks to finalize a midterm report on ways to remove structural barriers to trade and investment. Senior Japanese officials said the two countries succeeded in narrowing their differences over key issues in the Structural Impediments Initiative (SII) during two days of talks on Monday and Tuesday.

A high-ranking Japanese official hinted that the interim report will be released later in the day (Wednesday) after Prime Minister Toshiki Kaifu's special emissary, Nobuo Matsunaga, calls on President George Bush at the White House.

In Tokyo, a high-ranking government official said the U.S. Government has to wait for Bush to return from a stumping trip to gain a seal of approval for the interim report, which will be followed by a final report in July.

"We want to complete and have the interim assessment report ready within tomorrow (Wednesday)," a highly placed Japanese source said after attending the SII talks which lasted from 10 A.M. to well after midnight.

"We had been prepared to do that within today" but agreed to resume the talks Wednesday morning, the source said.

Issues the two countries are divided over in the SII dialogue are Japan's Large-Scale Retail Stores Law, levels of public works spending and "keiretsu" or mutually interlocking business groupings which are seen by the U.S. as structural barriers to trade and investment in Japan, the world's second largest economy.

A senior U.S. trade official acknowledged that progress in the SII talks has been slow and limited. But he described it as a case of "better be right than fast" as Tokyo and Washington try to exchange suggestions for improving the state of each other's economies.

SII Agreement Said Imminent

OW0404141490 Tokyo NHK General Television Network in Japanese 1000 GMT 4 Apr 90

[Text] Believing that if the Japan-U.S. Structural Impediments Initiative [SII] talks go smoothly, there is a prospect for reaching an agreement tonight or tomorrow morning, the government plans to hold an extraordinary cabinet meeting to make a formal decision on the substance of the agreement. Regarding the SII talks, a top government official said this evening that although the talks are taking longer than anticipated, this would not have any great influence on the talks. The goal of reaching an agreement is in sight. By the same token, a top Foreign Ministry official made it clear this evening that an agreement would be reached tonight or tomorrow morning if the talks go smoothly, saying that the two sides of Japan and the United States are consulting on preparing an interim report containing positive attitudes. There is a possibility of both sides reaching an agreement in the morning.

With regard to the substance of the agreement, the top government official said that although there might be a slight change in the government-drafted interim report, the draft would be the basis for preparing the report. For this reason, there is no need for Prime Minister Kaifu to make further political decisions and adjustments with the ruling Liberal Democratic Party. Concerning the Large-Scale Retail Store Law, which has been a focal point at the talks, another government source said: The phrase concerning abolishing the law will not be incorporated into the report. The Japanese side proposes to exclude the enforcement of the law in big cities and also proposes to review the entire law. If the SII talks formally reach an agreement, the government plans to hold an extraordinary cabinet meeting tomorrow morning to approve the interim report. Prime Minister Kaifu would hold a news conference to call on the people to cooperate in implementing the interim report.

U.S. Makes Store Law Concessions

OW0404143290 Tokyo NHK General Television Network in Japanese 1000 GMT 4 Apr 90

[Text] As the U.S. side at the Japan-U.S. Structural Impediments Initiative [SII] talks has made concessions on the issue concerning regulations on opening large-scale retail stores, which the U.S. side has indicated as a symbol of a closed market in Japan, both sides are expected to reach an agreement after a meeting between President Bush and Japanese special envoy Matsunaga slated for 4 April in Washington.

Finance Minister on G7 Talks, Currency Market

OW0304034390 Tokyo KYODO in English 0218 GMT 3 Apr 90

[Text] Tokyo, April 3 KYODO—Finance Minister Ryutaro Hashimoto indicated Tuesday that a meeting of the Group of Seven (G-7) nations in Paris on Saturday is not meant to discuss how to underpin Japan's faltering financial markets.

"The meeting is not intended to support the Japanese markets," Hashimoto told reporters. Hashimoto indicated the talks are primarily designed to resolve such pending problems as economic restoration of Eastern Europe and the ninth resources replenishment plan of the International Monetary Fund (IMF). He also said he did not want to see traders use the G-7 meeting as a market moving mechanism.

Minister Rules Out Currency Target Zones

OW0304045890 Tokyo KYODO in English 0425 GMT 3 Apr 90

[Text] Tokyo, April 3 KYODO—Finance Minister Ryutaro Hashimoto said Tuesday Japan has no plan to keep the yen's exchange rate in a particular range. Introduction of such target zones "would induce speculative moves rather than help stabilize rate swings", Hashimoto told a House of Representatives Budget Committee session.

Countries "should try to stabilize currency rates through policy coordination centered on market intervention," he said. Exchange rates are affected by speculative factors, deviating from rate levels that should be decided by each nation's fundamental economic strength, Hashimoto said.

"We should refrain from excessive intervention," he said. "But we will make efforts to give market players psychological stability."

Hashimoto made the comments following the yen's monetary slump to the level of 160 yen to the U.S. dollar in Tokyo trading Monday for the first time in three years and three months.

The finance minister is scheduled to attend a weekend meeting in Paris with his counterparts from the Group of Seven (G-7) major industrialized nations to discuss currency and other issues.

Mieno Blames Noneconomic Factors for Yen's Fall

OW0304075590 Tokyo KYODO in English 0636 GMT 3 Apr 90

[Text] Tokyo, April 3 (KYODO)—Bank of Japan Governor Yasushi Mieno said Tuesday that the yen's continued weakness in currency markets is attributable to noneconomic factors. Mieno said he is determined to continue policy coordination with other major industrial nations to ensure exchange rate stability.

Speaking before the House of Representatives budget committee, Mieno cited political conditions in Japan and elsewhere as factors contributing [to] the sagging yen. Mieno also singled out inflationary worries in West Germany related to German unification as another factor.

On recent moves by some companies to raise prices in the wake of the yen's downslide, Mieno said domestic prices remain stable. But Mieno acknowledged the existence of inflationary worries and added that he hopes the latest hike in the official discount rate will help hold down inflation. Mieno also described Monday's plunge in stock prices on the Tokyo Stock Exchange as overdone.

Monitoring on Drift-Net Fishing To Increase

OW0204141290 Tokyo KYODO in English 0914 GMT 2 Apr 90

[Text] Tokyo, April 2 KYODO—Japan, the United States, and Canada agreed at a trilateral fishery meeting Monday to upgrade monitoring of Japan's drift-net fishing in the North Pacific. Under the agreement, 74 observers, including 45 U.S. and Canadian nationals, will be placed aboard 74 drift-net squid fishing boats.

Japan's 24 boats operating in the high waters for tuna fishing will be also required to allow one observer each on board. All drift-net fishing boats will also carry a transponder for other countries to be able to locate them.

The three countries also agreed to streamline salmon fishing by abolishing Japan's traditional fishing method of using a mothership.

The meeting, which began last Monday, followed one in Washington on February 12-17, that was suspended due to differences among the three nations over control of Japan's drift-net fishing.

Japan, the only nation other than Taiwan and South Korea which operate drift-net fishing in the North and South Pacific, is under fire from foreign countries calling for preservation of marine resources. Last December, the United Nations adopted a resolution urging a ban on drift-net fishing on the high seas by June 30, 1992.

Mongolian Official Discusses Foreign Policy

OW0204145390 Tokyo KYODO in English 1416 GMT 2 Apr 90

[Text] Tokyo, April 2 KYODO— Lodongiyn Rinchin, chairman of Mongolia's People's Great Hural (congress), told Foreign Minister Taro Nakayama on Monday that Mongolia's foreign policy remains unchanged despite the turnover in the ranks of his country's leadership, Foreign Ministry officials said. Rinchin was referring to last month's personnel changes, in which Punsalimaagiyn Ochirbat succeeded Jambyn Batmonh as Mongolia's chairman of the Presidium of the People's Great Hural, making him head of state.

In addition, Sharabyn Gungaadorj replaced Dumaagiyn Sodnom as chairman of the Council of Ministers, or premier, while Gombojabyn Ochirbat replaced Batmonh as secretary general of the Communist Party.

Mongolia is now pursuing a foreign policy which stresses improved relations with Japan and other countries of the industrialized West.

Rinchin proposed to Nakayama that Japan accept Mongolian university students, officials said. Officials said Rinchin also expressed satisfaction that a Japanese fact-finding mission recently visited his country to explore areas of potential cooperation in the field of medicine.

Nakayama said Japan would positively consider the assemblyman's proposal to accept Mongolian students and expressed his hope for continued friendly relations between the two countries.

Rinchin, a former foreign minister, is in Japan through Friday as leader of a Mongolian parliamentary delegation at the invitation of the House of Representatives Speaker Yoshio Sakurauchi, who met with Rinchin earlier in the day.

On Tuesday, the assemblyman will pay a courtesy call on Prime Minister Toshiki Kaifu and meet with Yoshihiko Tsuchiya, president of the House of Councillors, and representatives of the powerful Federation of Economic Organizations (Keidanren).

New Joint Venture Hotel Opens in Beijing

OW0304045090 Tokyo KYODO in English 1434 GMT 2 Apr 90

[Text] Tokyo, April 2 KYODO—The New Otani on Monday announced that a new joint Japanese-Chinese hotel it operates and manages opened earlier in the day in Beijing. The 24-story hotel, located outside Jianguomen, has a total of 512 rooms and has a floor area of 55,942 square meters.

The 120 million-dollar hotel is owned jointly by the Beijing Municipal Travel Corp. and CCI [expansion unknown], a group of Japanese enterprises. The Tokyo-based New Otani is better known as Hotel New Otani.

PRC Hijacker Says Scars Show Military Torture

OW0204101890 Tokyo KYODO in English 0642 GMT 2 Apr 90

[Text] Tokyo, April 2 KYODO—A Chinese man accused of hijacking a plane to Japan showed a court Monday scars he claims were inflicted during torture by the military as proof he was a pro-democracy activist in China.

At the second session of extradition proceedings at the Tokyo High Court, accused hijacker Zhang Zhenhai said the Army detained him when he protested against the arrest of demonstrators during the "Beijing Spring" pro-democracy movement in 1978-1979. The 36-year-old Chinese showed judges wounds he claimed were inflicted at the time of his arrest. Zhang said he was handcuffed and shackled.

Explaining his involvement in political activities in China, Zhang said he had started to hold anticommunist sentiments from around 1968. He said he had been among those who spoke out during the "Beijing Spring."

Zhang was arrested by Japanese authorities in Fukuoka last December after diverting a New York-bound Air China passenger flight to the southwestern Japanese city.

The former textile factory manager detailed conversations he said he had with another Chinese activist whom he met near Tiananmen Square during last year's pro-democracy movement in Beijing.

Zhang has also said he led a 350-member "workers guard" which hurled bricks and steel pipes at banks and soldiers swarming into Beijing.

Another activist, E Wu, now exiled in France, is also scheduled to testify in the case, Zhang's defense lawyers said.

In the first session March 23, Zhang pleaded that the hijacking was a last resort in his appeal for support for the crushed pro-democracy movement.

His three-member team of lawyers says he faces the death penalty if sent back to China. They intend to cite other European examples of nonviolent hijackings which courts judged as political crimes and denied extradition requests.

China has branded Zhang as a criminal out on bail facing embezzlement charges when he fled the country. China has demanded Japan send him back.

Japanese prosecutors argue that the hijacking was an attempt by Zhang to flee China in order to seek better employment and was not politically motivated. They will use Chinese documentation of the charges and testimony from Zhang's wife saying he was watching television during last year's June 4 military crackdown on pro-democracy demonstrators in Beijing.

Zhang was accused of diverting the Air China aircraft with 233 people aboard, including his wife and their child, to land at Fukuoka on December 16 after South Korea refused to allow the flight to land.

The aircraft flew back to Beijing the following day leaving only Zhang in Japan. Zhang was injured when pushed out of the airplane by a cabin attendant after the landing.

The court is scheduled to rule on the case by April 24.

USSR Urged 'Not To Tighten' Screws on Baltics

OW0304135490 Tokyo KYODO in English 1315 GMT 3 Apr 90

[Text] Tokyo, April 3 (KYODO)—Tetsuzo Fuwa, Presidium chairman of the Japan Communist Party (JCP), on Tuesday urged Soviet President Mikhail Gorbachev not to tighten the screws further on the three breakaway Baltic republics. Fuwa, briefing the press on the party's views, said the JCP wants the Kremlin to settle such problems peacefully and democratically based on the principle of ethnic self-determination.

Fuwa also said a policy favoring great powers and hegemonism, which he said lies at the root of ethnic problems in the Soviet Union, runs counter to the spirit of a scientific socialism.

The Kremlin's ethnic problems mounted last Friday when the Estonian Parliament was set to follow the example of its fellow Baltic republic Lithuania in reestablishing its prewar independence after the Estonian Communists voted to break party links with Moscow on March 25.

Lithuania declared its independence on March 11.

Japan Welcomes ROK-USSR Relations

OW0204140190 Tokyo KYODO in English 1040 GMT 2 Apr 90

[Text] Tokyo, April 2 KYODO—Chief Cabinet Secretary Misoji Sakamoto said Monday he is hopeful that establishment of diplomatic ties between South Korea and the Soviet Union will hasten detente in Asia. Japan welcomes an announcement by Seoul on its agreement to establish diplomatic ties with the Soviet Union within the year, the top government spokesman told a regularly scheduled news conference.

"I expect this to have a favorable impact on relaxation of tensions" on the Korean peninsula, Sakamoto said. But Sakamoto said the new development is unlikely to have an immediate impact on Japan-Soviet relations, long snagged on a territorial dispute over four tiny islands north of Hokkaido that have been occupied by the Soviet Union since the end of World War II.

"I don't think it will have a direct effect, but if global tensions and tensions in northeast Asia are reduced, in due course I expect this will have a positive impact" on Japan-Soviet relations, he said.

Sakamoto dismissed concerns that the move by the Soviet Union, one of North Korea's traditional backers, might spark a negative reaction in Pyongyang, turning it more hostile.

South Korea's ruling Democratic Liberal Party said Monday the agreement with the Soviet Union was reached while party co-leader Kim Yong-sam was visiting Moscow last week.

Fishery Accord Reached With South Korea

OW3103082790 Tokyo KYODO in English 0512 GMT 31 Mar 90

[Text] Seoul, March 31 KYODO—Japan's Fisheries Agency announced Saturday that Japan and South Korea have reached a basic agreement on protecting fishery resources and controlling fishing violations occurring within each other's waters. The accord came in a three-day annual meeting of the Japan-South Korea Joint Committee on Fishery which ends here Saturday.

Japanese and South Korean officials agreed on the need to voluntarily control their fishing operations in the waters surrounding both nations due to the depletion of deep sea water fish there.

They also agreed to beef up surveillance with patrol boats to ensure that the items agreed upon under the accord are strictly adhered to.

Government Concerned Over Iraqi Chemical Weapons

OW0304113190 Tokyo KYODO in English 0926 GMT 3 Apr 90

[Text] Tokyo, April 3 (KYODO)—Foreign Ministry sources on Tuesday expressed concern over Iraqi President Saddam Husayn's threat on Monday to unleash chemical weapons against Israel in the event of an attack by the Jewish state. "The Iraqi Government is a signatory country to a 1925 treaty prohibiting the use of chemical weapons, so we expect them to very faithfully abide by this treaty," said one senior official.

"In any case, the issues between the two countries (Iraq and Israel) should not be solved by use of weapons," the official added.

Husayn, in a major address to the nation on Monday, reportedly threatened to employ "sophisticated binary chemical weapons" in retaliation for any attack on his country by Israel.

Japanese officials said that in coming up with an official stance on the potentially explosive issue, they are monitoring other countries' responses to assess the implications of the Iraqi leader's statement.

In March of 1986 and 1988, Japan condemned Iraq's use of chemical weapons in its war against Iran, but remained silent when such weapons were allegedly turned against the country's minority Kurdish population.

Officials said they were also looking into recurring allegations that Baghdad is attempting to acquire a nuclear weapons capability, despite its being a signatory to the nuclear non-proliferation treaty of 1968. In his address, Husayn reportedly denied that Iraq has nuclear aspirations, saying an "atomic bomb" is not needed due to his country's possession of chemical weapons.

The Iraqi leader's address followed the arrests last Wednesday in Britain of suspected Iraqi agents for attempting to smuggle 40 U.S.-made nuclear triggers to Baghdad, a development which buttressed claims that Iraq is making strides toward a nuclear capability.

Japanese officials acknowledged concern over Husayn's reported remarks on retaliation with chemical weapons in the context of a potential new Israeli move to curb Iraq's alleged nuclear designs.

Israel, which is widely believed to possess a nuclear weapons capability, sent bombers to Iraq in 1981 to destroy a French-built nuclear reactor that was under construction, charging it was intended to produce atomic weapons. Iraq has subsequently expressed its hope to rebuild the reactor and warned that another Israeli raid against the reactor or any Iraqi industrial or chemical plants would be met with a suitable response."

Iraqi Oil Minister Calls for Assistance

OW0404065090 Tokyo KYODO in English 0524 GMT 4 Apr 90

[Text] Tokyo, April 4 KYODO—Iraqi Oil Minister Isam 'Abd-al-Rahim al-Jalabi on Wednesday called for Japanese assistance in boosting his country's industrial development and oil production capacity, Foreign Ministry officials said Thursday. Al-Jalabi, who arrived in Japan on Tuesday on a six-day visit at the invitation of the Foreign Ministry, made the remarks in a 25-minute meeting with Foreign Minister Taro Nakayama.

Nakayama, meanwhile, requested Iraq's cooperation in providing a stable supply of oil to Japan over the long term, officials said. Japan's oil imports from Iraq, which has the second-largest oil reserves in the world after Saudi Arabia, account for some 5-6 percent of its total oil imports on average, officials said.

Al-Jalabi assured Nakayama that Iraq will continue to be a reliable supplier of energy to Japan, as the two countries enjoy a fundamentally sound relationship. But he stressed that Japan also has a stake in his country's efforts to develop its industry to international levels and to enhance its oil production capacity.

Japan has pledged to assist both Iraq and Iran in their postwar reconstruction endeavors. The two countries reached an uneasy ceasefire in August 1988 after a bloody eight-year war.

Nakayama noted with satisfaction that progress is being made in resolving problems surrounding Iraq's repayment of its massive debt to Japan, estimated to stand at some 500 billion yen, including both public and private debt. Iraq has been anxious to see Japan release some 405 billion yen in pledged export credits and official development assistance (ODA) loans, on ice since Iraq suspended debt repayments in 1985.

Nakayama indicated that the stage is now set for an expansion of relations between Japan and Iraq in such fields as economic cooperation and cultural exchange.

On relations with Iran following the United Nation's-brokered ceasefire, Al-Jalabi said the situation between the two countries remains one of "no peace, no war." He expressed hope for a resumption of dialogue with Iran through the auspices of U.N. Secretary General Javier Perez de Cuellar toward the goal of a comprehensive peace.

Al-Jalabi asked Japan to continue to play a positive role in resolving the Iraq-Iran issue. Japan has actively supported the U.N. secretary general's mediation efforts in the past.

Officials said Nakayama made no reference to reports that Iraq is making significant strides toward acquisition of a nuclear weapons capability or to recent threats by Iraqi President Saddam Husayn to unleash chemical weapons against Israel in the event of an attack by the Jewish state.

Al-Jalabi asserted that Iraq wants to see peace realized in the entire Middle East region through greater efforts toward a resolution of such problems as the Palestinian question and the Iran-Iraq conflict.

The oil minister is scheduled to meet on Friday with International Trade and Industry Minister Kabun Muto. Prior to his departure from Japan on Sunday, he also plans meetings with leading officials of Japanese trading houses and oil companies.

Al-Jalabi's visit to Japan follows that of Iraqi Trade and Finance Minister Muhammad Mahdi Salih last December, and the visits in January of Saudi Arabian Oil Minister Hisham Nazir and Organization of Petroleum Exporting Countries (OPEC) Secretary General Subroto.

$2 Million Emergency Cash Grant to Palestinians

JN3103071490 Amman JORDAN TIMES in English 31 March 90 p 2

[Text] Amman (J.T.)—Japan has decided to extend $2 million emergency aid in cash for the procurement of food for the Palestinian refugees through the U.N. Relief and Works Agency (UNRWA) in view of the deteriorated living conditions of the Palestinian refugees in the West Bank and the Gaza Strip, according to a Japanese Embassy press release received in Amman.

The uprising in the Israeli-occupied West Bank and the Gaza Strip has continued since December 1987, resulting in more than 800 Palestinians dead and over 30,000 injuried. "Because of the severe measures taken by the Israeli government, the living standard of Palestinian people has deteriorated very badly. In such a situation, UNRWA has requested Japan to extend supplementary aid in addition to the ordinary food aid," the press release said.

"In response to this requst, Japan has decided to extend an emergency aid to UNRWA for the purchase of food for the Palestinian refugees," the release added.

Since 1980 Japan has contribued about 8,500 million yen in total (JD 36 million) to UNRWA for the relief of Palestinian refugees.

Kaifu Pledges To Aid Central America

OW0304112690 Tokyo KYODO in English 0952 GMT 3 Apr 90

[Text] Tokyo, April 3 (KYODO)—Prime Minister Toshiki Kaifu on Tuesday pledged Japanese economic and refugee relief assistance to Central America in a message sent to leaders of five countries in the region, Foreign Ministry officials said. "I would like to confirm that the government of Japan intends to contribute actively to economic rehabilitation and the solution of refugee problems in Central America," Kaifu was quoted as saying in his message.

The prime minister's message was sent to an April 2-3 meeting in the Nicaraguan beach resort of Montelimar of the leaders of Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua. Acting Foreign Ministry Spokesman Shigeo Takenaka, saying the message was the first to be sent to the forum by a Japanese prime minister, said Kaifu "congratulated those countries' move toward democracy and stability and reaffirmed his willingness to cooperate with them."

Kaifu also lauded free and fair elections held on February 25 in Nicaragua and welcomed an agreement reached in March on the demobilization of contra rebel forces, he said.

" ... (I) strongly expect that such pending matters as the promotion of political talks in El Salvador will be solved as early as possible by the parties concerned, with the cooperation of the United Nations," Kaifu reportedly said.

Japan is attempting to expand its role as a benefactor in Central America, thereby contributing to the U.S.-Japan "global partnership." Washington has expressed particular hope for Japanese aid to Panama and Nicaragua.

Kaifu Rejects Demand To Dismiss Posts Minister

OW0404084190 Tokyo KYODO in English 0728 GMT 4 Apr 90

[Text] Tokyo, April 4 KYODO—Prime Minister Toshiki Kaifu on Wednesday turned down an opposition party demand to oust Posts and Telecommunications Minister Takashi Fukaya, who has been under fire for receiving a large amount of political funds from the scandal-tainted information business giant Recruit Co. Kaifu, speaking at a session of the House of Councillors Budget Committee, said, however, that he has admonished Fukaya for failing to perform a thorough check on his receipts of political funds.

Chief Cabinet Secretary Misoji Sakamoto also told the upper house session that the government will not question Fukaya's ethical responsibility for accepting 12.36 million yen from Recruit Co. Both Kaifu and Sakamoto were replying to Japan Socialist Party questioner Ryoichi Yasutsune.

Fukaya's political support group received a total of 860,000 yen from Recruit as a membership fee—20,000 yen a month between January 1985 and July 1988, Sakamoto said in a report about the outcome of a government probe on Fukaya's receipts of Recruit funds.

Recruit also donated 5 million yen to Fukaya's four political organizations from 1985 to 1987, and purchased 6.5 million yen worth of tickets for his fundraising parties between 1985 and 1987, the chief cabinet secretary said. Sakamoto said Recruit quit Fukaya's support group in July 1988 when reports suspecting the company of playing the central role in the influence-peddling scandal surfaced. The company continued to pay its membership fee for five months until November 1988 due to clerical mistakes, he said.

In January 1989 Fukaya returned 100,000 yen in membership fees he received between July and November of 1989 to Recruit, Sakamoto said.

The chief cabinet secretary said the political donations made by Recruit to Fukaya before the scandal erupted in the summer of 1988 were not questionable because they were reported to the relevant authorities.

Sakamoto said Fukaya did not violate ethical guidelines set by the ruling Liberal Democratic Party in the aftermath of the Recruit scandal. Last May the LDP introduced a loose set of guidelines barring Recruit-tainted LDP Diet members from assuming party or cabinet posts for about one year or until they were judged by voters in a general election.

The Recruit scandal led to the downfall in June 1989 of former Prime Minister Noboru Takeshita, who was among a number of senior LDP leaders accused of purchasing directly or indirectly low-priced and unlisted shares of Recruit's real-estate subsidiary, Recruit Cosmos Co. Former Prime Minister Yasuhiro Nakasone, former LDP Secretary General Shintaro Abe and former Finance Minister Michio Watanabe are also known as buyers of such stocks.

Fukaya denied any involvement with the Recruit scandal when he joined the cabinet of Prime Minister Toshiki Kaifu in February.

Kaifu, challenging pressure from powerful LDP faction leaders in late February, tried to exclude scandal-tainted politicians in his cabinet and refused to give cabinet posts to Yoshiro Mori, one of the Recruit-linked politicians, and Takayuki Sato, who was convicted of taking bribes in the 1976 Lockheed payoff scandal.

Doi Suggests Leaderhip Reshuffle at Convention

OW0204140990 Tokyo KYODO in English 0849 GMT 2 Apr 90

[Text] Tokyo, April 2 KYODO—Japan Socialist Party (JSP) Chairwoman Takako Doi on Monday suggested a major leadership reshuffle at the party convention starting Tuesday, pointing to her party's need of "perestroyka" to evolve into a party with the potential to govern. Speaking at a meeting of party prefectural representatives, Doi said a "business as usual" mentality in the party can no longer respond to the nation's support.

She said the JSP must carry out "perestroyka" in all fields within the party—including organization and financial structure—in order to turn the party into a political organization with the ability to govern the country. Doi was reelected party leader for a third two-year term last month.

The statement was taken to imply that there would be a major shuffle in party leadership in the upcoming party convention.

The JSP, the largest opposition party in the country, was in power briefly in 1947-48.

At Monday's Tokyo gathering, Doi also expressed pessimism over efforts in the opposition camp to map out a coalition strategy to unseat the Liberal Democratic Party.

She said opposition talks on a coalition were exposed to a severe ordeal following the February 18 general election which boosted her party's seats but reduced those of other opposition parties.

Doi said, however, she would stick to try to find agreeable points in coalition discussions "sincerely and persistently."

Gives Address on 3 Apr

OW0304080790 Tokyo KYODO in English 0734 GMT 3 Apr 90

[Text] Tokyo, April 3 (KYODO)—Japan Socialist Party Chairwoman Takako Doi told party members Tuesday lingering mistrust by the Japanese people of the party's ability to govern meant they would have to redouble their efforts if the party is to achieve government. Doi made the call in an opening address to about 1,000 party representatives and guests at a three-day party convention, the first since the party made big gains in the February 18 general election from 83 to 139 seats in the House of Representatives.

The head of Japan's largest opposition party, Doi told the convention, "The Japanese people want a change of government but they are anxious about a JSP takeover of power from the ruling Liberal Democratic Party." Doi said the party should be able to formulate policies to alleviate such anxiety in the Japanese people.

Doi said the party agrees diplomatic continuity is the basis of a maintenance of the Japan-U.S. security treaty and the Japan-South Korea basic relations treaty. But Doi said she will seek ways of reducing the military alliance aspect of the Japan-U.S. security treaty to adapt to a reduction of tension between the United States and the Soviet Union.

Doi also said Japan is obliged to participate in current Structural Impediments Initiative (SII) talks in an attempt to harmonize the interests of the Japanese people with international cooperation between Japan and foreign countries, including the United States.

Turning to the political basis of the party, Doi asked all party members "to agree with" the concept of social democracy. Doi said she will make the utmost effort to unite social democratic forces across Japan to pave the way for social democracy in the country.

The party leadership is scheduled to submit a revised preface to its party rules—which includes a change from stressing the achievement of socialist revolution to the concept of social democracy—to the current convention to seek the approval of the party members. The revision followed a declaration made by Doi in September last year that the party had discarded socialist revolution in favor of creating a social democratic society in Japan.

Prior to Doi's address, Akira Yamagishi, chairman of Japan's largest trade union organization Rengo, which support the JSP, urged the party to take the initiative in cooperating with three other opposition parties—Komeito, the Democratic Socialist Party, and the United Social Democratic Party.

Talks between the four opposition parties on forming the four- party coalition government are on the brink of collapse, Yamagishi said.

Nuclear Reactor on Ship Stops During Test

OW3103093590 Tokyo KYODO in English 1453 GMT 30 Mar 90

[Text] Mutsu, Aomori Pref., March 30 KYODO—The reactor in the nuclear-powered vessel Mutsu, which was activated Thursday following a 16-year shutdown, suddenly stopped Friday while a test was being conducted on its control rods. The reactor in Japan's only nuclear-powered vessel stopped around 3 P.M. when a technician made an error in switching on an electric circuit aboard the ship at Sekinehara Port in Mutsu, Aomori Prefecture.

However, the test was resumed around 4:30 P.M. and the day's work ended around 7 P.M., officials said. The Aomori prefectural government warned the Atomic Research Institute not to repeat such an error in order to avoid raising anxiety among local residents.

The vessel successfully reached the critical stage of sustained nuclear reaction on Thursday after being out of operation for 16 years due to radiation leakage.

Crude Oil Imports To Rise '3.9 Percent' in 1990

OW3003122790 Tokyo KYODO in English 1037 GMT 30 Mar 90

[Text] Tokyo, March 30 KYODO—Japan's crude oil imports in 1990 will grow 3.9 percent from the previous year to 192.8 million kiloliters, while demand for fuel oil will expand 3.6 percent to 220.4 million kiloliters, a government report released Friday said.

The report by the Petroleum Council, an advisory body to the Ministry of International Trade and Industry, said demand for oil products will grow at a healthy average annual rate of 2.3 percent in the next five years, boosted by strong demand for such transport- related products as gasoline and light oil.

Demand for gasoline will rise at an average annual clip of 3.0 percent in the next five years, while light oil demand will increase by 5.2 percent due to expected surge in the number of cars and trucks, the report said.

The total crude oil imports will reach 233.8 million kiloliters in 1994, up 10.5 percent from 1990.

The share of oil product imports in Japan's total demand for oil products will be 20.9 percent in 1990, down from 22.6 percent in 1989, and 20.7 percent in 1994, the report also predicted.

North Korea

Kim Chong-il Nominated as SPA Deputy Candidate

SK0404043290 Pyongyang Domestic Service in Korean 0400 GMT 4 Apr 90

[Excerpt] The dear leader of our party and our people Comrade Chong-il has been respectfully nominated as a candidate for deputy to the Supreme People's Assembly [SPA].

Amid all the people's heightened political fervor to consolidate the revolutionary sovereignty of the workers and peasants and to complete the chuche revolutionary cause generation after generation according to the wise leadership of the party and the leader, a meeting of voters for the No. 575 Musan Election District was held on 4 April at the Musan mining complex. All the participants in the meeting had the great honor of nominating as a candidate for deputy to the SPA Comrade Kim Chong-il, member of the Presidium of the Workers' Party of Korea Central Committee Political Bureau and secretary of the party's Central Committee.

Comrade Kim Chong-il embodies outstanding wisdom, great leadership, and noble communist virtues that no one else has had. He has brightened the chuche fatherland, built by the respected and beloved leader, with profound revolutionary theories and incomparable practical revolutionary struggles. He also has brought about world-class changes in this land with a sense of devotion to the revolutionary cause and a warm love for the people. Here follows a recorded report on a meeting of voters for the No. 575 Musan Election District to nominate candidates for deputies to the SPA. [passage omitted]

KCNA on Details of Nomination

SK0404063290 Pyongyang KCNA in English 0517 GMT 4 Apr 90

[Text] Pyongyang April 4 (KCNA)—Activities are underway to nominate candidates for deputies to the Ninth Supreme People's Assembly of the DPRK slated for April 22.

The workers and other working people in Musan, a major iron headings producer in the northern most part of the country, nominated Comrade Kim Chong-il, member of the Presidium of the Political Bureau and secretary of the Central Committee of the Workers' Party of Korea, as candidate for deputy to the SPA.

A grand rally of voters of the Musan constituency No. 575 was held today in the Musan mining complex to nominate their candidate for deputy to the SPA.

The place of the rally was crowded with 30,000 working people including the workers of the Musan mining complex.

A portrait of the great leader Comrade Kim Il-song was put up in the place.

Also put up were slogan-boards reading "Long live the worker-peasant revolutionary power which was founded and is led by the great leader Comrade Kim Il-song!," "Let us greet the elections to the Supreme People's Assembly with a high degree of political enthusiasm and brilliant achievements in labour!" etc.

The rally was attended by Kye Ung-tae, member of the Political Bureau and secretary of the Central Committee of the Workers' Party of Korea and chairman of the Central Election Committee; Kang Song-san, member of the Political Bureau of the WPK Central Committee, chief secretary of the North Hamgyong Provincial Party Committee and chairman of the North Hamgyong Provincial People's Committee; Chong Chun-ki, alternate member of the Political Bureau of the WPK Central Committee and vice-premier of the Administration Council; Chi Chang-ik, secretary of the Central People's Committee and vice-chairman of the Central Election Committee; and others.

Yi Hyon-he, chief secretary of the Musan County, North Hamgyong Province, party committee, chairman of the Musan County People's Committee and chairman of the Election Committee of the Musan constituency No. 575, delivered a report at the rally.

He said:

The election of deputies to the Ninth SPA is a political event of great significance in further strengthening the DPRK Government and the revolutionary forces of chuche and stepping up the revolutionary struggle and construction work of our people.

Our party and people under the wise guidance of the great leader Comrade Kim Il-song have defended the independence of the country, national sovereignty and the gains of the revolution with the people's power as a weapon and turned our country into a powerful socialist industrial state under the solid socialist system of chuche by constantly enhancing its function and role.

Our party has led the struggle to strengthen the people's power in conformity with the new requirement of the developing revolution in which the modelling of the whole society on the chuche idea is brought to the fore, so that the worker-peasant revolutionary government may creditably discharge its mission and duty as a political weapon in energetically promoting the cause of socialist construction as required by chuche.

Our socialist system has an invincible might and a bright future that guarantees its steady consolidation and development through any storm and stress because all members of society are firmly armed with the chuche idea and the leader, the party and the masses are united as a solid socio-political organism with revolutionary sense of obligation and comradeship.

Under the wise guidance of the party and the leader, a new history of proud change is being created in Musan.

Comrade Kim Chong-il gave on-the-spot guidance several times and highly important instructions on scores of occasions to the Musan mining complex so as to turn it into a large-scale modern iron headings producer.

Then, the rally entered upon the nomination of a candidate for deputy to the SPA.

Ko Hak-chin, director of the Musan mining complex, took the floor.

He respectfully proposed to nominate dear Comrade Kim Chong-il as candidate for deputy to the Ninth SPA of the DPRK at the Musan constituency No. 575, reflecting the entire voters' absolute support to and boundless trust in the people's leader.

The moment the participants of the rally burst into cheers of "hurrah," expressing full support and approval of his proposal.

Representatives of people of different segments spoke warmly welcoming this proposal.

The rally proudly announced that Comrade Kim Chong-il was nominated as candidate for deputy to the SPA at the Musan constituency No. 575 in accordance with the unanimous will and desire of the entire voters.

A letter to Comrade Kim Chong-il was adopted at the rally.

Officials Attend Metal Workers Conference

SK0304051890 Pyongyang KCNA in English 0435 GMT 3 Apr 90

[Text] Pyongyang April 3 (KCNA)—The participants in the National Conference of Active Metal Workers renewed their determination to effect a great innovation in the production of iron and steel through a vigorous drive to create the "speed of the '90s."

The two-day conference held here discussed the tasks to develop the metal industry of the country onto a new, higher stage and bring about a great upturn in the production of iron and steel to satisfy the increasing needs of the national economy in hearty response to the party's call for maximum increase of production and economy.

The conference stressed the tasks to supply iron and steel works with sufficient iron ore, limestone and coal, promote the technical renovation of the metallurgical equipment and increase the production of electrodes, ferroalloy and fire-proof materials for a steady and high rate of iron and steel production.

It also laid stress on the tasks to finish within this year the construction projects to expand metallurgical bases including the electric furnace and the continuous roughing mill of the October 9 general steel works of the Chollima steel complex and hasten the ongoing capacity expansion project of the Musan mining complex and the construction of the Sariwon potassic fertilizer complex.

The conference discussed the tasks to satisfactorily solve from a chuche-based stand the scientific and technical problems in promoting the chuche orientation, modernization and scientization of the metal industry, increasing the production and effectively using raw material, fuel and power.

The metal industry of Korea has grown to be a modern and self-supporting industry with a perfect departmental structure of production which depends on domestic raw material and fuel. It is now a powerful key industry of the nation which turns out in 33 days as much pig iron as were produced in the preliberation year of 1944, in 12 days as much steel and in ten days as much rolled steel. It was attended by Han Song-yong, alternate member of the Political Bureau and secretary of the Central Committee of the Workers' Party of Korea, and Kim Yun-hyok, vice-premier of the Administration Council, and other officials.

Steel, Other Production Increases Reported

SK0204115090 Pyongyang KCNA in English 1107 GMT 2 Apr 90

[Text] Pyongyang April 2 (KCNA)—Workers of different domains of the national economy have effected a great upturn in production, in hearty response to the decisions of the 17th plenary meeting of the Sixth Central Committee of the Workers' Party of Korea.

The Chollima steel complex successfully fulfilled its March plan set far higher than last year's same month on all indices through a vigorous drive for increased production.

As of March 30, the complex had carried out its plan of gross industrial output value set 1.6 times the figure of the same month last year at 101 percent, the steel production plan set 2.6 times at 100.5 percent and the rolled steel, seamless steel pipe and wire rope production plans set 2 times at 100 percent.

In March alone, it introduced some 260 technical innovation proposals into production to turn out 3,000 more tons of steel and 8,500 more tons of rolled steel than the February figures.

The Pyongyang coal mine machine factory, the Sariwon machine factory and the Nampo electrodes factory are topping their daily assignments by more than 20 percent, keeping the quality of goods on the maximum level.

Amid the great upswing throughout the country, the hitters of their third seven-year targets are steadily increasing. Some 2,700 members of the League of Socialist Working Youth and other young people have successfully hit their third seven-year goals by the end of March.

Large-Scale Graphite Mine Under Development

SK0204111190 Pyongyang KCNA in English 1035 GMT 2 Apr 90

[Text] Pyongyang April 2 (KCNA)—A large-scale graphite mine is now being developed in Hungsang area, South Hwanghae Province, in the central western part of Korea.

The area is abundant in good-quality graphite and, allowing open-cast mining, requires not much fund in building cutting faces.

The builders of the mine have finished in a short period the construction of the buildings of two ore dressing plants with a capacity of hundreds of thousands of tons and are now assembling the equipment in the final stage.

They have nearly finished the construction of the first and second crushing grounds, the two-way raw ore transport line, the floatation reservoir, the ore drying place, the storehouses, the industrial water service station, the transformer substation, the repair and maintenance shop, the heavy machine shop, and others.

Several mining districts and cutting faces have been built and partial mining has begun.

The motorway extending tens of ri and houses for hundreds of families have been built.

When completed, the Hungsang mine will fully meet the domestic need for graphite and export large quantities every year.

So Kwan-hui Attends Fruit Growers' Convention

SK0304051490 Pyongyang KCNA in English 0441 GMT 3 Apr 90

[Text] Pyongyang April 3 (KCNA)—A national conference of fruit growers was held in Pukchong, South Hamgyong Province, on April 1 and 2.

The conference discussed measures to bring about a new turn in the development of fruit culture of the nation, upholding the highly important instructions of the great leader President Kim Il-song, on the occasion of the 30th anniversary of the Pukchong meeting.

President Kim Il-song recently advanced tasks to bring about a new turn in the development of fruit culture to greet the 30th anniversary of the historic Pukchong enlarged meeting of the Presidium of the Central Committee of the Workers' Party of Korea (April 1961).

He visited Pukchong County several times, set an example in orchard building and called the historic Pukchong enlarged meeting to occasion a revolutionary turn in converting all hills of the nation into fruit gardens.

The conference stressed the need to build more orchards, increase the per-hectare output through the strict application of the chuche method of farming and launch a campaign of planting many fruit trees in every household in order to increase the nation's output of fruits.

It also outlined tasks to actively modernize fruit culture.

It was attended by So Kwan-hui, secretary of the Central Committee of the Workers' Party of Korea.

Maternity Hospital Called 'Cradle of Happiness'

SK0204220690 Pyongyang KCNA in English 1504 GMT 2 Apr 90

[Text] Pyongyang April 2 (KCNA)—The Pyongyang Maternity Hospital was recently awarded the "Order of Kim Il-song" for its great contribution to the protection and promotion of the health of children and women.

It opened in July 1980.

More than 2,400,000 women have since received assistance at childbirth, gynecologic treatment and outpatients' medical care.

Some 100 trios of triplets and quadruplets were born at the hospital.

Their birth is considered to be an auspicious event in the country.

The quadruplets who were born in October 1984 and those born recently are growing up to be strong under the care of the whole country.

Many foreign women received assistance at childbirth and gynecologic treatment as well.

The Pyongyang Maternity Hospital located in the Munsu area east of the capital is a medical centre for women.

Its total floor space is some 60,000 square metres and the number of beds totals 1,500.

It is equipped with all facilities to give such medical service to women and newly-born babies as diagnosis, assistance at childbirth, medical treatment and upbringing of newly-born babies.

Among them are all-purpose operating tables, incubators, and some 2,000 other medical apparatuses of latest type.

The maternity hospital has a competent medical staff of scores of doctors, midwives and nurses with academic degrees or titles and honorary titles.

It is a grand monumental edifice associated with the loving care of the great leader President Kim Il-song and the Workers' Party of Korea.

The great leader unfolded the plan to build the Pyongyang Maternity Hospital long ago and when the construction was completed he went to the spot and gave highly important instructions which would be a guideline in the management and operation of the maternity hospital and medical service.

Dear Comrade Kim Chong-il true to the lofty intention of the great leader gave energetic guidance to make sure that the maternity hospital was built on the highest level from the architectural style of the hospital to its inner decoration, medical facilities and furniture.

The "carpet of jewels" decorated with a total weight of some 35 tons of natural jewels in the central hall and a large splendid chandelier, etc. are all the fruition of such loving care.

That is why the Korean women and other working people call the Pyongyang Maternity Hospital a cradle of happiness.

* TRT Work Prepares Heirs of Revolution

902C0157A Pyongyang MINJU CHOSON in Korean 13 Feb 90 p 1

[Text] Pyongyang 11 February KCNA—In our country where the three revolutions—ideological, technological and cultural—are making dynamic progress, the Three Revolutions Teams [TRT] movement is under way vigorously, showing its superiority and vitality more and more visibly every day. In the period from February 1973, when the first TRT members were sent out, to date, some 170,000 functionaries and new-generation intellectuals were, under our party's sagacious leadership, sent to various branches of the people's economy to actively assist party members and the working people in the fulfillment of the three revolutions.

In this course, nearly 20,000 TRT members were granted the honorable WPK membership and more than 50,000 state decorations were conferred. They include one Hero of the Republic and 24 Labor Hero title winners.

Amid the proud struggles to add luster to their honor as the vanguard of the three revolutions, those new-generation intellectuals have dynamically accelerated the process of their revolutionization and of giving themselves the working-class nature. Thus, they are growing strong to be reliable heirs of the cause of the chuche revolution.

This proud reality is the brilliant fruition of the sagacious leadership of the dear Comrade Kim Chong-il. Trusting boldly those new-generation intellectuals armed firmly with our party's revolutionary ideology and possessing modern scientific, technologic knowledge, he placed them at the forefront of the three revolutions, showing a clear-cut path for the TRT movement to follow and the method to employ.

Comrade Kim Chong-il, member of the Standing Committee of the Political Bureau of the WPK Central Committee and secretary of the party Central Committee, pointed out:

"It can be said that how we prepare the youth and how we enhance their role decide the destinies of the nation and the future of mankind."

Our great leader and the dear Comrade Kim Chong-il, always paying deep attention to the work and life of our youth, took the bold measure of sending young people of new generations to various branches of the people's economy to give strong impetus to the awesome struggles to carry out the three revolutions lines—ideological, technological and cultural—and, through this process, to bring them up as reliable heirs of the chuche revolutionary cause and useful future talents for the revolution.

Even after that, the dear Comrade Kim Chong-il clearly showed on many occasions well-defined directions and methods of solution on all problems arising in TRT activities, establishing orderly guidance systems for all levels from the center down to ri's, and according TRT members deep love and solicitude.

Our young intellectuals who, holding aloft the high intent of the party, took up their assignments at various branches of the people's economy, carried with them the infinite, burning loyalty to the party and the leader; whipped up the flames of the three revolutions and stood in the van of every difficult and hard work, leading the masses by personal example and spurring them vigorously toward the fulfillment of the revolutionary tasks.

They firmly armed party members and the working people with our party's revolutionary ideology, the chuche ideology, giving firm priority to the ideological revolution and energetically leading them to unite in one mind under the communist slogan "One for the Whole and the Whole for One" and to support the leadership of the party and the leader with loyalty.

TRT members, infinitely loyal to the party, waged sharp ideological struggles against the dregs of old ideas that impede developments of the technological revolution, such as technological mysticism, conservatism and passivity; at the same time, in cooperation with workers, scientists, technicians and experienced local veteran functionaries, they whipped up the flames of the mass technological innovation movement.

In those proud days, tens of thousands of valuable creative designs and rationalization suggestions—including 660 inventions for which state patent rights were awarded and 20 items of technical innovations that won the Technical Innovation Torch Award—were adopted and put in practice to greatly contribute to the chucheization, modernization and scientization of the people's economy.

Furthermore, in the latest period alone, which was a little more than one year, they built more than 690 medium- and small-size hydropower plants in various places and laid some 200 bridges totaling 13,000 meters in length to ensure even better facilities for the livelihood of the people.

TRT members, stepping up the cultural revolution energetically among party members and the working people, further strengthened the part-work and part-study system and improved the general technical knowledge levels of the working people, thereby making great contributions to turning the whole society into intellectuals. They launched well organized and closely coordinated programs to thoroughly establish tidiness both in production and in life and keep streets, villages and work places impeccably clean and tidy.

In the course of the proud struggles to fulfill the three revolutions—ideological, technological and cultural—large numbers of TRT members grew to be vanguard youths who have laid down everything they have to fight for the party and the leader, the fatherland and the people, or youthful functionaries well prepared politically and ideologically, technologically and administratively.

Today, upholding the high intent of the party, the young intellectuals—the vanguard of the three revolutions—continue to dash ahead on the road of the solemn march of the 1990's in the van of the three revolutions—ideological, technological and cultural. They are thus preparing themselves energetically as reliable heirs of the cause of the chuche revolution.

Functionaries' Economic Management Stressed

SK0204040290 Pyongyang Domestic Service in Korean 0008 GMT 27 Mar 90

[NODONG SINMUN 27 Mar editorial: "Let Us, as Functionaries, Actively Make Efforts To Enhance the Level of Economic Management"]

[Text] Now, following the party's militant call for a great new upsurge in the 1990's, our people, who are full of faith, are vigorously accelerating production and construction.

Today, functionaries should constantly make efforts to enhance the level of economic management and should more vigorously push ahead in an all-out march to make great progress in the socialist construction of our country.

Comrade Kim Chong-il, a member of the Political Bureau Presidium and secretary of the party's Central Committee, has noted: Today, our country's economy is very large, and our country's economy is going into high gear. Therefore, functionaries cannot correctly manage the state's economy without being aware of economics, modern science, and technology.

Today, our country's economy has grown under our party's wise leadership, and its development has accelerated. The level of the functionaries' economic management should be decisively enhanced in keeping with a modern large-scale economy, so as to skillfully manage and operate the modern large-scale economy, which is developing rapidly on the basis of modern science and technology with complex and close cooperation in all areas.

Our party has called on us again to effect a great revolutionary upsurge in socialist construction this year, the first year of the 1990's.

Today, heavy and formidable tasks are assigned to functionaries throughout the country, and they cannot successfully carry out tasks put forward by the party if they are ignorant of economic management, no matter how great their desire or commitment may be.

In order to discover more reserves for greater production and savings, and to realize success with the present economic foundation, while upholding the New Year address of the great leader and the decisions of the party plenary session, the level of the functionaries economic management should be greatly enhanced. In order to give full play to the vitality of the Taean work system—that is, the chuche-oriented economic management system—and to further display the superiority of our own unique style of socialism, the enhancement of the functionaries' level of economic management is urgently required.

It is high time that functionaries responsibly conduct economic management by fully using their organizational skills and revolutionary ability to develop the economy with a greater knowledge of economic management than ever before.

Dear Comrade Kim Chong-il, with a deep understanding of today's situation, in which the economy is rapidly developing and a great new revolutionary upsurge is affecting all areas of the national economy, has noted that functionaries should further enhance their level of economic management.

All functionaries, sincerely upholding the party's intention, should constantly try to acquire knowledge so that they can successfully manage and operate a socialist economy. To this end, it is important for functionaries be correctly aware of how to enhance the level of economic management, and they should adopt this matter as a vital demand.

Together, with great confidence in the party, our functionaries, in commanding their staffs, have directly organized and managed economic affairs in important areas and in organizations in the national economy.

Whether or not functionaries perform well in commanding their unit staffs in the revolution largely depends upon their ability and level. Functionaries, fully armed with political theory and economic enterprise, can successfully implement assigned economic tasks by displaying their initiative, and actively overcome whatever difficulties that occur.

In the meantime, those who are ignorant of economic management and technology cannot achieve great results in their tasks, no matter how much they wish to. Therefore, they cannot discharge their obligation as functionaries in assigned revolutionary outposts.

Our party has stressed the enhancement of functionaries' economic management skills. This is aimed at leading functionaries to more properly defend their revolutionary outposts put forward by the party and to constantly glorify their political life.

Appreciating the fact that enhancing the level of economic management is precisely in their own behalf, and not for someone else's benefit, and that only when the level of economic management is constantly enhanced can they be loyal to the party and the revolution, leading functionaries in all domains in the national economy should devote themselves to enhancing the level of economic management. Leading functionaries should, above all, fully arm themselves with the ideology of our party's chuche-oriented economic management.

The ideology of chuche-oriented economic management, which was uniquely created by the great leader Comrade Kim Il-song, is a superior ideology for economic management which makes it possible to advance business management focusing on the work with the people.

All functionaries should firmly adhere to the Taean work system and the chuche-oriented economic management system, the vitality and validity of which have been thoroughly confirmed through practice. They also should correctly understand the demands of this system and the basic principles of socialist economic guidance and management, which have embodied these demands. Moreover, they and should thoroughly implement these principles by practicing economic management.

Business management is a task which organizes and directs production and management activities in plants and enterprises. Therefore, only when various principles and economic means for business management are correctly utilized can business management be properly conducted.

Functionaries should remain deeply aware of various economic instruments, including objective economic laws, costs, and interests, and should know how to correctly utilize them in business management. In addition, they should correctly study industry management and agricultural management, thereby accumulating a knowledge of business management.

The quality of the economic management skills of responsible functionaries of plants and enterprises should be higher than anyone elses. These are the plants and the enterprises where production is accelerated and where business management is substantially applied.

Only when the skills of the responsible functionaries for plants and enterprises are high can they be in a position to speak out. Only then can they correctly analyze and evaluate the outcome of business management. Only then can they constantly increase production by correctly utilizing material and technological methods, labor, and resources. And only then can they successfully carry out projects for saving more and producing more.

Responsible functionaries, including managers, should always be role models for enhancing the quality of economic management, and should demand that low-echelon functionaries enhance the quality of their economic management.

It is important to thoroughly study enhancing the level of economic management. Formalism should be taboo in any work. Nothing can be accomplished when formalism is adhered to in studies. When functionaries learn anything, they should generalize it so that it can be thoroughly utilized. In addition, they should carry out studies to completely generalize their studies to practical activities.

Studying to enhance the quality of economic management is a work that functionaries should carry on by themselves. Our functionaries regard the accumulation of knowledge in the field of economic management as an important revolutionary task. [passage indistinct]

Above all, functionaries should study the great chuche idea and our party's policy, that is, the embodiment of the chuche idea. Functionaries, full of energetic ambitions and aspirations to be revolutionaries, should be passionate, auto didactic people who persistently carry out their studies without stopping, even when they are busy with urgent tasks.

Similarly, in all works, the results of working to enhance the quality of the functionaries' economic management largely depends upon how the party organizations concentrate on this work, and how they raise their demands for this work.

Party organizations at every level should instruct functionaries on issues for enhancing the quality of economic management, which dear Comrade Kim Chong-il again recently elucidated. They also should explain to them the significance of the issues and their meaning by linking these issues with the real world. Therefore, party organizations at every level should lead all functionaries to correctly understand the party's intentions and realistic demands, and they should lead them to devote themselves to enhancing the quality of their economic management.

Success cannot be acheived in a task in a five-minute frenzy. All party organizations should substantially and systematically push ahead with work to enhance the level of the functionaries' economic management, without interruptions or stoppage.

The party organizations should guarantee good study conditions for functionaries, should get them to positively participate in re-indoctrination work, and should evaluate these tasks according to the quality of their economic management skills and their scientific business management skills.

Party functionaries themselves should acquire a knowledge of economic management. This is the demand of our party. Party functionaries should lead all functionaries in decisively improving the quality of economic management in a short period of time by standing in the vanguard of the work in order to improve the quality of economic management, and by leading the people by setting their own example.

Our party's demand for commanding staffs of the revolution is for them to be functionaries who are everlastingly loyal to the party and the revolution, and who are deeply aware of political theory and economic management.

All functionaries should constantly improve the quality of their economic management in line with the party's desires, with ardent aspirations and sustained efforts, and thus, should improve the work of economic management in a revolutionary manner in the first year of the 1990's, and should make great new progress in socialist construction.

Daily Dedicates Editorial to Chuche Hero

SK0204052290 Pyongyang KCNA in English 0510 GMT 2 Apr 90

[Text] Pyongyang April 2 (KCNA)—NODONG SINMUN Sunday dedicates an editorial article entitled "True Revolutionary Cherishing Loyalty as Revolutionary Faith" to the 30th death anniversary of Comrade Pak Tal, a chuche-type communist revolutionary (April 1, 1960).

Pak Tal was born into a poor peasant family in Kilju County, North Hamgyong Province, on December 28, 1910.

He embarked on the road of the revolution after being embraced in the broad bosom of the respected leader Comrade Kim Il-song, the sun of the nation and a legendary hero, in 1936. He was an indomitable communist revolutionary who devotedly fought for the victory of the anti-Japanese revolutionary struggle as a member of the party working committee in the homeland, chief of the Korean National Liberation Union and political commissar of the northern Korean anti-Japanese people's guerrilla unit.

The article says:

Pak Tal regarded loyalty to Comrade Kim Il-song as his revolutionary faith and obligation and carried out his revolutionary line and policy to the letter unconditionally.

Upholding the great leader Comrade Kim Il-song's policy of building a revolutionary party, he devotedly worked for the building of party organizations with arduous underground activities and performed great feats in this course. He greatly contributed to rallying broad segments of people closely under the banner of national liberation, upholding Comrade Kim Il-song's policy of strengthening in scope the anti-Japanese national united front movement with the movement of the association for the restoration of the fatherland at the centre.

After the liberation of the country, he worked with all devotion to bring up the rising generation to be reserves faithful to the great leader and the party although his health was so bad that he could hardly move about in consequence of a prolonged imprisonment and harsh torture by the enemy, the Japanese imperialists.

His was a career of a faithful revolutionary soldier who devoted his youth and life to the implementation of the great leader's chuche-based line and policy on the Korean revolution with fervant loyalty to him, and a brilliant life of a communist revolutionary who made a great contribution to the noble cause of national liberation by skilfully conducting underground activities with his unshakable will and revolutionary sweep.

Kim Il-song Sends Greetings to African Leaders

Senegal's Abdou Diouf

SK0304103990 Pyongyang KCNA in English 1032 GMT 3 Apr 90

[Text] Pyongyang April 3 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea sent a message of greetings Monday to President Abdou Diouf of the Republic of Senegal on the occasion of the 30th anniversary of the independence of Senegal, the national holiday of the Senegalese people.

The message says that the Senegalese people have struggled to consolidate national independence, build a new, prosperous Senegal and achieve the complete liberation and unity of Africa in the past 30 years.

The Korean people, it notes, sincerely rejoice over the achievements made by the Senegalese people in the struggle for the independent development of the country, national unity and democracy and progress under the leadership of you, the president.

The message wishes the president greater success in his work for the prosperity of the country and expresses the belief that friendly and cooperative relations between the two countries will further develop.

Zimbabwe's Robert Mugabe

SK0304104290 Pyongyang KCNA in English 1035 GMT 3 Apr 90

[Text] Pyongyang April 3 (KCNA)—Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, sent a message of greetings today to Robert G. Mugabe, first secretary and president of the Central Committee of the Zimbabwe African National Union-Patriotic Front, upon his reelection as president of the Republic of Zimbabwe.

The message says Robert G. Mugabe's reelection as president clearly shows the steadfast desire and will of the Zimbabwean people to build a peaceful, united, New Zimbabwe under his leadership.

Expressing the belief that the excellent relations, friendship and cooperation existing between Korea and Zimbabwe will grow stronger and develop, it wishes the Zimbabwean president new success on his work for the independent development of the country and the promotion of the people's welfare.

Guinea's Lansana Conte

SK0204121090 Pyongyang KCNA in English 1115 GMT 2 Apr 90

[Text] Pyongyang April 2 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea today sent a message of greetings to Lansana Conte, president of the Military Committee of National Redressment, president and head of State of the Republic of Guinea, on the occasion of the 6th Anniversary of the Proclamation of the Second Republic in Guinea.

The message says the Korean people sincerely rejoice at many successes the Guinean people are making in their endeavours to achieve national unity and stability of the country and to implement the programme of national redressment under the leadership of the Military Committee of National Redressment headed by President Lansana Conte.

It expresses the belief that the excellent relations of friendship and cooperation existing between the two countries will grow stronger and develop.

Egyptian President Greets DPRK Delegation

SK0304045290 Pyongyang KCNA in English 0445 GMT 3 Apr 90

[Text] Pyongyang April 3 (KCNA)—Clear and invariable is the stand of Egypt supporting the DPRK's stand on Korea's admission into the United Nations and its reunification, said Muhamad Husni Mubarak, president of the Arab Republic of Egypt, when he met the DPRK Government delegation led by Vice-President Yi Chong-ok on April 1.

He expressed satisfaction over the favorably developing relations of friendship and cooperation between Egypt and Korea.

We rejoice over the successful building of socialism in Korea, he said.

International Chuche Institute Holds Meeting

SK0304101390 Pyongyang KCNA in English 1000 GMT 3 Apr 90

[Text] Guayaquil April 1 (KCNA)—The ninth meeting of the board of the International Institute of the Chuche Idea (IIJI) was held in Guayaquil, Ecuador, on March 31.

The meeting reviewed the work of the IIJI in 1989 and discussed the action programme for 1990 and an organizational affair.

T.B. Mukherjee, vice-director general of the IIJI, made a report on the work of the IIJI in 1989.

In his report, he said it was a happy event that an international seminar of chuche idea for the world's independence and friendship among people opened for the first time in Latin America on the occasion of the birthday of the great leader Comrade Kim Il-song.

While studying and disseminating the immortal chuche idea, he went on, we have got precious ideological and moral pabulum and great courage from the energetic ideological and theoretical activities of respected President Kim Il-song, the founder of the chuche idea, and dear His Excellency Kim Chong-il, the great successor to the chuche cause.

The orientation of the work of the IIJI in the 1990s is to effect a fundamental change in the accomplishment of the cause of the world's independence, taking the great chuche idea as the guideline, he stressed.

He stressed that the world progressive people should resolutely maintain the anti-imperialism independent stand to positively weather the situation and dynamically fight to decisively smash the imperialist moves of aggression and war with concerted efforts and build an independent, peaceful new world.

He called for invigorating the movement to actively support the Korean people's struggle for the independent and peaceful reunification of the country.

Shuhachi Inoue, vice-director general of the IIJI, made a report on the action programme of the IIJI for 1990.

The meeting elected new director general of the IIJI and held a by-election of directors.

Prof. and Dr. Shuhachi Inoue of Rikkyo University of Japan was elected director general.

Meanwhile, a meeting of heads of delegations and delegates of different countries to an international seminar of chuche idea for the world's independence and friendship among people to be held on the birthday of President Kim Il-song was held in Guayaquil on April 1.

The preparatory committee of the seminar called a press conference that day.

DPRK Committee Sends Message

SK0404044890 Pyongyang KCNA in English 0416 GMT 4 Apr 90

[Text] Pyongyang April 4 (KCNA)—The Central People's Committee and the Administration Council of the Democratic People's Republic of Korea on April 1 sent a joint message of congratulations to the international seminar on the chuche idea for global independence and friendship among people held in Guayaquil, Ecuador, on the occasion of the birthday of the great leader President Kim Il-song.

The message reads:

The seminar has opened in response to the unanimous desire of the people of our time to live a free and harmonious life, cooperating with each other, as befits the social attribute of humanity, in an independent world freed from all manner of domination and subjugation, aggression and war.

Global independence is the common cause of humanity which embodies the noble doctrine of the chuche idea. This historic cause is the purpose of the worthy life of our contemporary people and the beautiful ideal of humanity.

The chuche idea which expounds the truth that man is the master of the world and of his own destiny is an idea of human liberation which opposes all manner of domination, subjugation and inequality and firmly defends the Chajusong of the country, the nation and the people; the noblest humanitarian idea which opposes aggression and war and demands world peace and security; and a true internationalist idea which is aimed at achieving the common prosperity of humanity through intensified friendship and cooperation among people.

This idea enjoys deep sympathy from the world's progressive people for its undeniable truth—correct reflection of the demand of the times and the desire of the people—and serves as an inspiring banner in the building of an independent new society.

No force on earth will be able to block the righteous onward movement of the people to terminate the cursed history of domination, subjugation and inequality and create a new history of independence, equality, friendship and solidarity.

Convinced that the seminar will powerfully encourage the people in the struggle for global independence and greatly contribute to the strengthening of friendship and cooperation among peoples advocating Chajusong, we sincerely wish success in the work of the seminar.

British Businessmen's Delegation Arrives

SK0404045090 Pyongyang KCNA in English 0415 GMT 4 Apr 90

[Text] Pyongyang April 4 (KCNA)—A British businessmen's delegation led by Lord Tayler, member of the House of Lords of the British Parliament and chairman of the Council for Education and Technology, arrived here Tuesday.

The guests were met at the airport by Yi Song-nok, chairman of the Korean Committee for the Promotion of International Trade.

Youth League Prepares for Upcoming Conference

SK0304044490 Pyongyang KCNA in English 0426 GMT 3 Apr 90

[Text] Pyongyang April 3 (KCNA)—Members of the League of Socialist Working Youth and other young people of Korea are effecting unprecedented innovations in production and construction to greet the upcoming national conference of youth activists.

With the conference near at hand, hundreds of thousands of youth league members and other young people at some 600 units across the country have developed and manufactured more than a hundred new devices and production facilities by tapping inner reserves. They also built several reservoirs and minor power stations.

Those of the ministry of Yongsong machine industries, the Sunchon cement complex and other industrial establishments manufactured numerous up-to-date devices including plasma cutters, oxygen and hydrogen generators and 70 mm steel plate cutters and increased the production of cement, coal and timber by several thousand tons.

The youth league members in the agricultural sector have registered enormous achievements in the construction of reservoirs, storing of water and farm work.

The youth league members and other young people have secured a large amount of materials intended for the construction of houses for 50,000 families in Pyongyang.

Japan Accused of Scheming 'Overseas Aggression'

SK0304102590 Pyongyang KCNA in English 1015 GMT 3 Apr 90

[Text] Pyongyang April 3 (KCNA)—The slogan of "Greater East Asia coprosperity sphere" played up by the Japanese imperialists in the past meant a dangerous phase where their aggression assumed a full-fledge scale and the "international role" commensurate with the economic potential claimed by the Japanese reactionaries today indicates a dangerous stage where the reinvasion moves of the revived Japanese militarism have reached. NODONG SINMUN today says this in a signed article denouncing the Japanese reactionaries for getting feverish in overseas aggression, loudly claiming Japan's "international role."

The Japanese monopoly capital has rapidly expanded after the Second World War under the patronage of the U.S. imperialists, the article says, and continues:

The Japanese reactionary ruling circles are trying to embark upon militarist reinvasion in an effort to gratify the wild ambition of the Japanese monopolies for overseas expansion by coming to the fore in the international political arena against the background of its expanded economic potential. This is the true intention of the Japanese reactionaries in crying for "international role" commensurate with the economic potential.

The doctrine of "defence of 1,000 mile sea route" shows how desperately the Japanese reactionaries seek overseas aggression under the motto of "international role".

The Japanese reactionaries are now largely reinforcing and modernizing the "Self-Defence Forces" [SDF] under the pretext of "defence of 1,000 mile sea route." Going beyond the one-percent-of-GNP-ceiling in defence spendings, they have paved the way for an unlimited arms expansion.

Japan replaced the "total defence strategy" of the "SDF" with a strategy of forestalling attack and is increasing its capacity of a protracted war and preemptive strike.

On the other hand, the "SDF" has increased the capacity of actual battles through ceaseless military exercises.

The "SDF" is, in actuality, ready to be immediately hurled into the operational zone any moment.

All these prove that the revived Japanese militarism is scheming to take the road of full-scale overseas aggression.

The Japanese militarists regard Korea as the first target of their overseas aggression. They intend to realise their aggressive design on the continent with Korea as the springboard. Now Japan is escalating military infiltration into South Korea as well as economic infiltration.

The Japanese militarists' reinvasion moves pose a threat to peace in the asian region including the Korean peninsula.

The people of Asia and the rest of the world are heightening vigilance against their reinvasion moves.

Japanese Figures Demand Diet Apologies to Korea

SK2903051090 Pyongyang KCNA in English 0500 GMT 29 Mar 90

[Text] Pyongyang March 29 (KCNA)—More than 60 scholars, lawyers and religionists of Japan strongly demanded that the Japanese Diet adopt a resolution apologizing for the past colonial domination of the Japanese imperialists over Korea.

In a statement on March 27, they urged the Japanese Diet to admit that the past Japanese imperialist colonial domination over Korea was forced by military strength, deeply repent of and apologize for the infliction of immeasurable sufferings upon the Korean people and vow to truly liquidate the past doings and build relations of trust with the neighbouring nation.

Daily Deplores South's Vote To Join UN Pact

SK0404053690 Pyongyang KCNA in English 0457 GMT 4 Apr 90

[Text] Pyongyang April 4 (KCNA)—The "Foreign Affairs and Unification Committee of the National Assembly" of South Korea recently passed "a motion on entry into the U.N. International Convention on Human Rights" submitted by the puppet government. This is a shameful behaviour of a human rights violator in the guise of "a human rights champion," remarks NODONG SINMUN in a commentary today.

Noting that this "motion" had been submitted to the "regular National Assembly session" in October last year only to be pigeonholed by the objection of the opposition camp, but it was carried without difficulty this time through the operation of the hand-raising machine [as received] of the "mega-ruling party," the news analyst says:

This shows that the Kim Yong-sam and Kim Chong-pil factions did not form a party of new disposition but were absorbed into the "Democratic Justice Party" through the merger of the three parties, and this itself offers a problem.

It is well worth noting that the puppets have claimed "entry" into the U.N. international convention on human rights although they have no justification or face to talk about it.

South Korea, as recognized by the world, is a wasteland of human rights where those rights are totally violated and destroyed under the "security-oriented politics" of the No Tae-u military fascist dictatorship.

It is impossible to talk about even elementary freedom of activity, let alone human rights, in South Korea where indiscriminate arrests, cruel tortures and unlawful, murderous trials by the No Tae-u fascist thugs are rife.

The merger of the three parties of traitors No Tae-u, Kim Yong-sam and Kim Chong-pil has ushered in a dark era of fascist dictatorship dwarfing the "Yusin" dictatorship and the dictatorship of the "Fifth Republic" in South Korea.

Although the South Korean puppets are trying to conceal their ruthless bayonet-brandishing and violations of human rights with the veil of "entry into the U.N. international convention on human rights" and race headlong toward a more truculent fascism, they cannot conceal their criminal acts on any account but will have to pay dearly for them.

South Korea

Pyongyang Reportedly Smuggling Nuclear Know-How

SK0304122890 Seoul CHOSON ILBO in Korean 3 Apr 90 p 5

[Report by Kang Chon-sok from Tokyo]

[Text] The international community is suspicious of the fact that the nuclear facilities that North Korea is building in Yongbyon include a plant for reprocessing nuclear fuel, a process related to the manufacture of nuclear bombs. In addition to this, the question of the overseas source of North Korea's ultramodern technology has become a matter of public concern.

The May issue of SHOKUN, published by Japan's BUNGEI SHYUNSHYU, carried a special feature program on the current status of Japan as a base supplying sophisticated technology to North Korea.

North Korea's operations for obtaining technology from Japan have been carried out through the following two channels. One is the import of ultramodern instruments, which can be converted for military use, by circumventing the restrictions of Cocom (Coordinating Committee for Exports to Communist Areas) and the other is the channel of the General Association of Korean Residents in Japan [Chochongnyon]. North Korea had Chochongnyon organize a group of researchers in the field of ultramodern technology and obtained technological intelligence from them.

In particular, a good many Chochongnyon affiliated-scientists, who are members of the Association of Science and Technology of Korean Residents in Japan are known as top brains even in Japan, and some of these scientists and technicians extend assistance to North Korea for the development of its technology. Members of this association include an expert in elementary particle acceleration for nuclear fusion [haek yunghap solipcha kasok chonmunga], who is affiliated with Tokyo University and is chairman of a special committee of the association. They also include a technician who was awarded the prize of the president of the U.S. Society of Power-Driven Machines for developing a new type of engine based on the method of stratified air cleaning [chungsang sogi pangsik], as well as a scholar who is an expert in brake engineering and was awarded the prize of the Society of Automatic Brakes of Japan.

Of them, Mr. Yi Si-ku, chairman of the association, is one of the closest disciples of the most authoritative person in Japan's nuclear physics and is a core member in the nuclear science sector. Another member is engaged in the fluoric combination of weapons for the reprocessing of enriched uranium [mugi bulso hwahapmul hapsong]. In 1987, about 80 scientists and technicians in each ultra modern science sector visited North Korea.

In addition, a number of top-level Japanese scientists were invited to North Korea through the mediation of Chochongnyon-affiliated scientists and were requested to give technological advice.

North Korea requested materials and data for research and development from scientists in the field of semiconductors and computers among the Chochongnyon-affiliated scholars, as well as from businessmen in the most advanced sectors of science. Thus, in 1987, 21,000 scientific documents were sent to North Korea through the initiative of this association. Another way that North Korea gains access to the most advanced sectors of science is by taking ultramodern instruments and equipment to North Korea through a route not detected by Cocom's surveillance network.

In September 1988, North Korea attempted to take about 1,300 pieces of equipment, including semiconductors and computers, by disguising them as garments, on a ship called "Samjiyon-ho," which called at Nihigata. However, North Korea's attempt was exposed to the public with the incident of Kim Pyong-to, vice chairman of the Chochongnyon-affiliated Chamber of Commerce.

Also, the incidents the Japanese police did not make public even after they detected them are: The incident of smuggling radars, sonars, and integrated circuits by Taesong Trade Company, a Japanese-North Korean trade firm, from 1984 to 1987; the incident of the request for import of transistors and audioscopes with amplification devices that can be converted for military use from 1975 to 1987; the incident of the attempt of Chochongnyon-affiliated persons to import in June 1988 the fluorine rubber and ultra-low termperature lubricant (for tanks in the polar regions), which can be used as a soundproof device in submarines and military ships.

It was learned that in addition to these incidents, North Korea is striving to seek vacuum pumps from Japan to use for nuclear reactors. North Korea is also seeking a Japanese trade partner in order to import anti-submarine sonars by disguising them as fish detectors and tank-manufacturing grinders by disguising them as simple machine tools.

U.S. Officials Express Concern

SK0404022290 Seoul THE KOREA TIMES in English 4 Apr 90 p 2

[By staff reporter Sin Hak-nim]

[Text] The international supervision of a nuclear refuse reprocessing facility reportedly under construction by North Korea and arms reduction on the Korean peninsula are expected to be discussed during a summit meeting between the United States and the Soviet Union.

Rep. Yi Chong-chan, who participated in a seminar on Northeast Asia held in Washington recently, said in an interview with THE KOREA TIMES yesterday that Brent Scowcroft, national security advisor for President George Bush, revealed the U.S. plan during a meeting with Korean lawmakers. Yi said that senior U.S. administration officials believe the Soviet Union also wants North Korea's nuclear reprocessing facility to be supervised by international organizations such as the International Atomic Energy Agency (IAEA).

Reports have it that North Korea is inching toward the capability to produce nuclear weapons by constructing the nuclear reprocessing facility in Yongbyon, northern North Korea.

Yi said, "U.S. congressmen told us that it would be inevitable there would be a cut of 7,000 U.S. troops in Korea during the three years ahead, considering the atmosphere in the U.S. Congress."

However, American participants and Korean lawmakers shared the view that partial American troop cuts in South Korea should be used against North Korea as a sort of leverage for reducing tension on the Korean peninsula, Yi said.

Yi headed a Korean delegation comprising several other lawmakers from the ruling and opposition parties to the conference. Yi, a third-term lawmaker who served as floor leader and secretary general of the former ruling party, is regarded as one of the "new political leaders" in Korea.

Richard Solomon, assistant secretary of state for East Asian and Pacific affairs, stressed that North Korea first must take confidence-building measures such as the permission for military observation and redeployment of forward deployed troops along the demilitarized zone (DMZ) to realize substantial arms reduction talks on the Korean peninsula.

Zbigniew Brzezinski, former national security advisor, observed that North Korea will have to take a course to change the most isolated hardline Communist regime in the world in the middle of 1990s, according to Yi.

Solomon and other U.S. participants were skeptical that North Korean leader Kim Il-song will transfer presidency to his 48-year-old eldest son Chong-il soon.

The U.S. administration is accepting the envisioned normalization of relations between South Korea and the Soviet Union as a positive development for peace settlement on the Korea peninsula, said Yi. He said that American participants observed the normalization of relations between Seoul and Moscow will help foster a climate conducive to reducing tension on the Korean peninsula.

However, Rep. Yi said, "I realized through the meetings with senior U.S. administration officials and Congress leaders that our hasty approach to the Soviet Union will not help our national interests."

He was apparently referring to remarks by Kim Yong-sam, co-leader of the ruling DLP [Democratic Liberal Party], indicating that South Koreans are now free from any danger of provocation from North Korea, upon return from his eight-day visit to the Soviet Union. Kim's Moscow visit coincided with the seminar held in Washington March 20-22.

"Above all, we should abandon a misconception that the normalization of our ties with the Soviet Union will automatically pave the way for reunification of our divided fatherland," said Rep. Yi.

He added, "It is still premature to depend too much on the Soviet Union to solve our national affairs."

Daily, Bar Association Allowed To Contact North

SK0304022090 Seoul THE KOREA HERALD in English 3 Apr 90 p 2

[Text] The government yesterday approved a plan of the vernacular daily Chungang Daily News to contact North Koreans in connection with its plan to extend the course of its Kyongho Marathon to Pyongyang or Shinuiju, both in North Korea, from Mokpo.

It also allowed Pak Sung-so, president of the Korea Bar Association, to contact North Koreans during the 14th World Lawyers Congress which will be held in Beijing April 22-27.

Pak also has a plan to invite North Korean lawyers to the second Asia meeting of lawyers scheduled for May, 1991 in Seoul.

Daily Analyzes North's Special Economic Zone

SK0204062090 Seoul CHOSON ILBO in Korean 1 Apr 90 p 2

[Article by reporter O Tae-chin: "'A Sign of Opening' Aimed at Luring Joint Ventures to Overcome Economic Troubles"]

[Text] North Korea, which has stubbornly kept its economic door tightly closed even in the face of the gale of reform and openness that has swept the communist bloc, seems to be moving toward establishing a special economic zone, a symbol of economic openness to the outside world. The special economic zone, which is supposed to process a variety of export goods, is often called "an island of capitalism" in the sea of the socialist economic system because the economic zone is run according to capitalist rules.

Rumors of North Korea opening a special economic zone began circulating persistently after North Korea legislated and promulgated a "joint venture law" in 1984. These rumors seem to be close to being realized, with foreign news organizations now reporting on the possible site of such a special economic zone and the details of North Korean preparations. On 30 March, WEN WEI PO, a pro-Chinese paper published in Hong Kong, reported that North Korea had designated Hapsan Island, which sits along the Tuman River estuary and borders China and the Soviet Union, as a special economic zone. WEN WEI PO also reported that North Korea is planning to develop Hapsan Island into a "trade center" linking North Korea, China, and the Soviet Union, along with the cities of Hunchun in China and Khasan in the Soviet Union. The newspaper also reported that China, the Soviet Union, and North Korea are attempting to develop these cities into border trade centers among the three countries and a "golden triangle" of trade in Asia by luring capital and technology from such countries as Japan and South Korea. These efforts are designed to turn the cities into international trade centers patterned after Hong Kong.

In addition, dailies and news agencies in China, Hong Kong, and Japan reported that North Korea had already started laying railroads and building large apartment complexes since early last year, following the designation of Hapsan Island as a special economic zone. According to foreign media, the "Choson Trade Center" and the "International Center of Commercial Affairs" will open their offices in this special economic zone sometime during the nineties.

At the same time, North Korea is reported to be expanding shipyard facilities and mining and steel production facilities, including the transportation system, in those cities in North Hamgyong Province that are in the vacinity of Hapsan Island.

In fact, North Korea has been expanding major railroad stations in North Hamgyong Province. The expanded stations include the Tumangang railroad station, which has connections to the Soviet Primorskiy Kray and Siberia through Khasan and Namyang and to Tumen, Yanbian, and Manchuria in China. Meanwhile, North Korea is carrying out works designed to enhance the railroad's transportation capabilities. North Korea is also known to have concentrated labor on enhancing maritime transportation capabilities by expanding the port facilities in Najin and Chongjin.

Prior to this, in an international seminar on the question of reunification of the Korean peninsula held in Tokyo in July 1988, Vladimir Tikhomirov, chief of for the Asia and Pacific Affairs Department at the Soviet Institute of Oriental Affairs, hoping that ROK businesses would participate in a special economic zone that the Soviet Union was planning to establish in the Soviet Far East, said that North Korea, too, was expected to establish a special economic zone sometime during the nineties in an effort in keeping with Soviet plans for a special economic zone.

Based on a series of foreign reports and the moves being made by China, the Soviet Union, and North Korea, domestic North Korea watchers observe that North Korea is expected to officially announce, sooner or later, its plan for building a special economic zone. In particular, some North Korea watchers believe it is highly likely that North Korea will announce the plan for establishment of a special economic zone as one of the epochal measures in April during which Kim Il-song's birthday will be celebrated and the election of deputies to the Supreme People's Assembly, which was advanced about six months ahead of the schedule, is slated. This theory has been in the air for quite a long time.

The specialists in North Korea's economy believe that North Korea can no longer ignore the call for the establishment of a special economic zone, citing as its reason the fact that its joint venture law has now become a law in name only. Before legislating the joint venture law, North Korea had sent party cadre members, political officials, and provincial officials in charge of economic affairs, including Kim Chong-il, to Shenzen economic zone in China in September 1984 on a fact-finding mission. This shows that North Korea patterned its joint venture law after the Shenzen special economic zone, a symbol of China's economic opening to the outside world.

The central concept behind North Korea's joint venture law was to lure capital and technology from all the countries, including the capitalist countries in the West, to let these countries form and run joint ventures inside North Korea, and to let foreign investors take away profits made with joint ventures minus a certain amount of income tax. The conditions for investment in North Korea's joint venture law were more favorable than in China's in various aspects, including tax exemption for all profits taken away by foreign investors; the rate of income tax; the period of income tax exemption; and the basic deduction in per capita income tax.

This notwithstanding, up until October of last year North Korea had managed to lure only 53 joint ventures. North Korea's joint venture law failed to attract foreign investors to the point where 27 out of the 53 cases of the joint ventures it lured were funded by Chongnyon businessmen and industrialists. Uncertain prospects for making profits from joint ventures in North Korea, its low credit rating in the international community, rigid economic system, and small market are factors that discourage foreigners from investing in North Korea. All in all, the only way for North Korea to vigorously lure foreign investors through extraordinary manipulation of the joint venture law was to establish a special economic zone of its own as did the Chinese. North Korea, however, has deliberately ignored such a necessity for it was most fearful of people inside the economic zone being contaminated ideolocally and economically.

Although North Korea still claims it has a self-sufficient economic system, its claim has now become a mere political slogan and it has lately changed its attitude considerably in foreign trade. North Korea began to recognize that "trade with foreign countries is indispensable in accelerating economic construction, in raising the people's standard of living, and in enhancing our authority in the international arena." North Korea vowed in the in April 1987 session of the SPA to increase trade with foreign countries by 320 percent by the end of the Third Seven-Year Plan and had increased the number of trading companies to nearly 100 by November 1988 after instituting the Ministry of Joint Venture [ministry name as published] under the control of the State Administration Council.

Nevertheless, the sluggish economic performance even at the outset of the nineties, halfway through the Third Seven-Year Plan, leaves North Korea no choice but to find another way out and the establishment of a special economic zone is one alternative. Even if North Korea establishes a special economic zone, the ROK will still find it hard to make inroads into it right away. Nonetheless, a special economic zone in North Korea draws high hopes because the ROK can pave the way for North-South economic exchanges by investing in the neighboring special economic zones in China and the Soviet Union and steadily goading North Korea to gravitate toward an open economic system, thereby taking the opportunity to ease tensions on the Korean peninsula.

Soviets Reassessing 'Mavericks' in Pyongyang

SK0404025690 Seoul THE KOREA HERALD in English 4 Apr 90 p 8

[Editorial: "A Maverick—Pyongyang"]

[Text] Communist North Korea has long been a latter-day hermit kingdom isolated from most of the world. These days it is becoming increasingly estranged from its few remaining Communist allies and friends. It has already fallen out of the good graces of many East bloc countries which shed Marxism-Leninism to opt for humanized socialism or more democratic pluralism.

And yet, the adamant Kim Il-song and his despotic regime in Pyongyang have yet to budge an inch from their bad old line, inviting discredit and ridicule from every side. North Korea has thus been reduced to one of the few mavericks on this planet. But it can no longer ensconce itself inside the prohibitive but shaky wall of its own making

Even the Soviet Union, which had been the chief mentor and patron of North Korea, is coming out with explicit criticism of the anachronistic obsession and misconduct of Pyongyang, tempered by not so friendly persuasion.

A reformist weekly magazine recently published in Moscow has strongly urged North Korea to undertake bold reforms for economic development and warned it of a repetition of the tragic fall of Ceausescu in Romania.

Calling North Korea "a museum" devoted to the cult of Kim Il-song, filled with statues and pictures of Kim everywhere, "The Reality and Grounds for Arguments" magazine [ARGUMENTY I FAKTY] pointed out that the North Korean economy has failed because of excessive military spending and poor management.

Similarly disapproving comments have lately been made through other Soviet media, apparently reflecting the displeasure of the current Kremlin leadership under President Mikhail Gorbachev. North Korea must open its eyes and ears now to heed these and other verdicts and advice.

The arrival here of two North Korean student defectors from the Soviet Union this week added to a heightening voice of condemnation and admonition to liberalize and open up for its own sake. The landscape of the present-day world does not lend itself to the survival of the maverick Commies in Pyongyang.

Soviet Criticism of North Shows New Attitude

SK0404022890 Seoul THE KOREA TIMES in English 4 Apr 90 p 2

[Text] The Soviet Union may be about to use its influence with North Korea to push the world's most isolationist state towared openness and a positive dialogue with South Korea to lower tension on the Korean peninsula, a South Korean ruling party source said yesterday.

The source said South Korea and the Soviet Union had deep discussions on Moscow-Pyongyang relations during ruling party co-leader Kim Yong-sam's Moscow visit March 20-27, and the Soviets vowed to positively exercise their influence on Pyongyang to ensure peace on the peninsula.

"The Soviet pressure may pick up after the 28th congress of the Soviet Communist Party ends July 2, when the Soviet power restructuring is expected to have been completed," the source said, adding that only North Korea remains unaffected by the winds of change and reform that have swept the Soviet Union and East-bloc countries.

Soviet intentions have been reflected in recent media coverage discrediting the North, claimed the source, who declined to be named.

Recent reports in Soviet Korean-language radio broadcasts have accented the Soviet rule in the Korean War and in North Korean leader Kim Il-song's rise to power and appear designed to dilute the North's unswerving faith in chuche (self-reliance) ideology, the source said.

The source also made note of the outright criticism of Pyongyang in an article carried by a reformist Soviet weekly magazine, "Facts and Arguments" [ARGUMENTY I FAKTY].

DLP Source on Expected Soviet-DPRK Changes

SK0304025490 Seoul YONHAP in English 0229 GMT 3 Apr 90

[Text] Seoul, April 3 (YONHAP)—The Soviet Union may be about to use its influence with North Korea to push the world's most isolationist state toward openness and a positive dialogue with South Korea to lower tension on the Korean peninsula, a South Korean ruling party source said Tuesday.

The source said South Korea and the Soviet Union had deep discussions on Moscow-Pyongyang relations during ruling party co-leader Kim Yong-sam's Moscow visit March 20-27, and the Soviets vowed to positively exercise their influence on Pyongyang to ensure peace on the peninsula.

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The source also made note of the outright criticism of Pyongyang in an article carried by a reformist Soviet weekly magazine, "FACTS AND ARGUMENTS" [ARGUMENTY I FAKTY].

The article urged North Korea to take bold reforms for economic development and warned it of the tragedy of Romanian President Nicolae Ceausescu's downfall.

According to the Japanese daily YOMIURI SHIMBUN, the article said Pyongyang's economy was facing a crisis and called North Korea "Kim Il-song's museum."

The piece, titled "North Korea: Legend and Reality," said everyone in North Korea believes they are living happily because of Kim, but the reality is different.

"This criticism by the Soviet magazine is by no means chance," the source said.

South Korean officials cautiously predict that improvements in Seoul-Moscow ties will ultimately bring important changes in Moscow-Pyongyang as well as Seoul-Pyongyang relations in the near future, creating favorable circumstances for reducing tension and ensuring peace on the Korean peninsula, which has been characterized by strong military confrontation since its division at the end of World War II.

Seoul and Moscow have agreed in principle to normalize diplomatic ties this year, according to an official announcement by the ruling Democratic Liberal Party (DLP). The agreement was reached during a trip to Moscow by DLP leader Kim Yong-sam that was highlighted by his unprecedented meeting with Soviet President Mikhail Gorbachev.

The Soviet Union is a close ally of North Korea and a major supplier of sophisticated arms to the South's adversary.

Soviet Official To Visit Seoul in November

SK0404012490 Seoul YONHAP in English 0114 GMT 4 Apr 90

[Text] Seoul, April 4 (YONHAP)—A top Soviet official may visit South Korea in November to wrap up discussions on setting up diplomatic ties, a highly placed ruling party source said Tuesday.

Soviet President Mikhail Gorbachev will send either Yevgeniy Primakov, former chairman of the Council of the Unions of the Supreme Soviet, or Aleksandr Yakovlev, a Politburo member in charge of international affairs, to make broad contacts with ranking Korean Government officials and finalize an agreement on the normalization of relations between Seoul and Moscow, the source said.

Kim Yong-sam, a co-leader of the ruling Democratic Liberal Party, and Primakov agreed during Kim's trip to Moscow from March 20-28 that an influential Soviet figure would visit Korea in November in order to complete the establishment of diplomatic relations, the source said.

Kim and Primakov did not decide who should make the trip, but the likeliest candidates are Yakovlev or Primakov himself, he said.

Visits to USSR To Promote Financial Exchanges

SK0304102790 Seoul YONHAP in English 0818 GMT 3 Apr 90

[Text] Seoul, April 3 (YONHAP)—Top executives of South Korean banks will make separate visits to the Soviet Union this month to promote financial exchanges and cooperation between the two nations, bank sources said Tuesday.

Korean banks need information on such matters as financial systems to assist companies that have recently made their way into the Soviet Union, the sources said.

Yi Tong-ho, president of the Korea Development Bank (KDB), will visit Moscow late this month to study financial and investment circumstances on his way to Hungary for a function April 26 to celebrate the opening of KDB's Budapest branch on March 26, they said.

Yi Pyong-son, president of Hanil Bank, is poised to visit the Soviet capital as soon as he is formally invited to do so by the governor of the Soviet Bank for Foreign Economic Relations.

The Soviet bank has signed correspondence contracts with eight Korean banks and has agreed to have an "official relationship" with the Export-Import Bank of Korea.

The International Private Economic Council of Korea (IPECK), a State-approved door to trade with communist nations, is to send 10 bank officials on a 15-day tour of the Soviet Union, Bulgaria and Czechoslovakia in early May to investigate financial and investment circumstances.

IPECK plans to send several more similar delegations to East-bloc countries in the near future.

ROK Delegation's Activity in Moscow Assailed

SK0304130090 Seoul HANGUK ILBO in Korean 29 Mar 90 P 2

[Article by reporter Chong Kwang-chol from the "Reporter's Eyes" column: "Visit to the USSR and the Ministry of Foreign Affairs"]

[Text] The Ministry of Foreign Affairs, which is the competent ministry of diplomatic affairs, was dazed at the happenings that took place in the Soviet Union in the past week. There was no one in the ministry who could definitely assure reporters as to whether or not the news reports that consulates general would be established between the ROK and the Soviet Union or that the present consular departments in the two countries would be upgraded to the level of diplomatic missions were true.

Foreign Minister Choe Ho-chung, who was visiting East European countries at the same time that a ROK delegation was visiting the Soviet Union, was somewhat displeased to hear the aforementioned news reports and said, "I do not know anything about the news reports and I think I should confirm them after the delegation returns home."

Neither the director of a bureau concerned of the ministry who accompanied minister Choe nor the director of a section concerned of the ministry who had contacted the ROK consul department in Moscow knew anything the news reports.

The Ministry of Foreign Affairs, which had been thoroughly excluded from the formation of a ROK delegation to visit the Soviet Union, was in a delicate position to the point where, despite the development in Moscow of a situation entirely different from its stand, it could not but look upon it with folded arms. Our diplomats in the Ministry of Foreign Affairs were greatly surprised and shocked at the news report of the opening of general consulates in the ROK and the USSR. They refuted the report, saying that "the two countries have already opened their consular departments and what are they talking about?" Some young diplomats even got excited at the news report.

The Ministry of Foreign Affairs has asserted that there should not be intermediate stages in establishing diplomatic relations with the Soviet Union. Therefore, the events in the Soviet Union must have been viewed as very dangerous by officials at the Ministry of Foreign Affairs. The Ministry of Foreign Affairs holds that it is not desirable to give the impression that the diplomacy of the country is in the hands of some politicians.

The adverse effect of hasty diplomacy to seek a politicking goal is different from the problems created by domestic politicking in terms of their seriousness.

Of course, politicians or secret diplomatic envoys may play diplomatic roles in place of professional diplomats. Also, such diplomatic activities by politicians or secret diplomatic envoys can assist in an outstanding way the diplomatic activities of professional diplomats. However, diplomatic activity by politicians should be carried out only when deemed necessary and, moreover, their diplomatic activity should be limited to creating an atmosphere for diplomatic negotiations. This is not only a common knowledge of diplomacy, but is also what our Mnistry of Foreign Afairs held.

The Ministry of Foreign Affairs insisted that such diplomatic activity that runs counter to diplomatic common sense resulted in "an extravagant and false report" that some members of the ROK delegation had been sent to Pyongyang. This took place because politics and diplomacy were mixed.

Pak's Behavior on Moscow Trip Prompts Criticism

SK0404031690 Seoul THE KOREA HERALD in English 4 Apr 90 p 2

[News analysis by Chong Pong-uk: "Rumors on Kim-Pak Discord Linger on Despite Denial"]

[Text] When Pak Chol-on, first state minister for political affairs, met a group of local reporters last Saturday [31 March], he said there were no specific agreements reached between a ruling Democratic Liberal Party [DLP] mission and the Soviet side in Moscow last month. Pak was a member of the mission, led by Kim Yong-sam, a co-leader of the ruling party.

The DLP, however, contradicted Pak Monday when its spokesman Pak Hui-tae announced the mission has made an agreement with the Soviet side to set up diplomatic ties between Seoul and Moscow within this year. The announcement came after a meeting of the party leaders that day.

What are the implications of these developments on the local political scene? The party action may have been aimed at minimizing Pak's assertive role as seen in his meeting with reporters over the weekend.

Well before Kim's mission left here on a tour of the Soviet Union March 19, there had been reports of Pak's remarks that indicated his status in the mission was equal to Kim's. In a meeting with reporters March 2, Pak said, "I can hardly reject his request to accompany him and I cannot but help him."

In a discussion in the evening on that day, Kim said he is the leader of the mission to Moscow.

In Moscow, there were also reports on disharmony between Kim and Pak. Because of their awkward relations, Kim failed to deliver President No Tae-u's personal letter to Soviet President Mikhail Gorbachev. Kim's meeting with the Soviet top leader came abruptly and Pak was keeping No's letter.

Asked about his relationships with Pak upon his return on March 29, Kim said there was no disharmony between him and Pak. "Pak told all things on his activities there to me," said Kim. Rumors on the disharmony, however, persisted despite Kim's denial.

Why did Pak act in such a way as to create rumors on the disharmony? Why did the ruling party give an impression that it was all out to control Pak? A review of his role in the Sixth Republic may be an answer to these questions.

Born in 1942, Pak graduated from Kyongbuk High School, the same school attended by President No. Furthermore, he is a brother-in-law of the first lady.

Nobody would deny his role in recent years was possible because of his personal relationship with the President.

It was not until in the 1980s that he burst onto the political scene. He became a senior presidential secretary for political affairs in the Fifth Republic led by Chon Tu-hwan. He majored in law at Seoul National University and was a prosecutor when he joined the local politics.

The controversial organization of Wolgesuhoe was reportedly organized by Pak during No's presidential campaign in 1987. The number of its members once crossed 1 mission and they include more than 10 lawmakers of the ruling party.

Pak's leading role in the Sixth Republic started when he undertook secret missions for President No touring Communist countries, including North Korea. He has apparently made secret contacts with the Soviet Union and other East European countries.

Pak reportedly also played a leading role in merging three parties to create a mammoth ruling DLP. If so, he apparently has met secretly with leaders of the two minor opposition parties—Kim Yong-sam of the Reunification Democratic Party and Kim Chong-pil of the New Democratic Republican Party—to merge them with the ruling Democratic Justice Party.

Of course, there were elements critical of Pak in the ruling party before the merger of the three parties. They could include former floor leader Yi Chong-chan and Chong Ho-yong who withdrew his candidacy from the parliamentary by-election held yesterday.

The situation has changed after the three-party merger, however. There were a number of lawmakers in the new ruling party who have expressed their disapproval when Pak mentioned his status as being equal to Kim's in the party mission to Moscow.

Pak's behavior in recent days provided an important momentum in their attack against him and they were joined by other anti-Pak forces in the ruling DLP that forced the announcement on the Seoul-Moscow ties and that, in turn, made Pak look bad.

Japanese Paper Quotes Soviet on ROK Ties

SK0404024490 Seoul THE KOREA TIMES in English 4 Apr 90 p 2

[Text] The Soviet Union will announce "in the near future" that it will enter into diplomatic relations with Korea within the year, a Japanese newspaper, the YOMIURI, reported Monday, quoting a Soviet expert on Asian matters.

The expert was quoted as saying, "We have the same opinion," when asked to comment on an announcement by the South Korean ruling party Monday that the two countries reached an accord to establish formal ties by the end of this year, during a recent visit by ruling party leader Kim Yong-sam to Moscow. He confirmed that the two countries ironed out all differences with regard to the normalization of ties on the occasion of Kim's eight-day visit. Only things left pending are technical questions including the terms of the opening of embassies.

Moscow's positive attitude to Seoul's vigorous approaches reflects that the "new thinking" diplomacy, initiated by the Gorbachev government, is being applied to its relations with Asian countries, the newspaper analyzed.

The about-face has stemmed from changes in international circumstances. The thaw with China, which the Soviet Union had once regarded as a pillar of its Asian diplomacy, has been retracted following a bloody crackdown on pro-democracy protesters in May [as published] last year and North Korea, its long-term ally, is gradually inclining to China instead of the Soviet Union.

It further pointed out that Eastern European countries have set up diplomatic links with Seoul one after another, prompting the Soviets' decision to upgrade de facto consular relations to the level of ambassadors.

Japanese Papers Hail News of Seoul-Moscow Ties

SK0304095590 Seoul YONHAP in English 0735 GMT 3 Apr 90

[Text] Tokyo, April 3 (YONHAP)—Japanese newspapers have hailed as the harbinger of detente in Northeast Asia the South Korean ruling Democratic Liberal Party's official announcement Monday of an agreement to open diplomatic ties between Seoul and Moscow this year.

MAINICHI SHIMBUN said in an editorial in its Tuesday editions that a new sign that tensions were easing had begun to emerge in East Asia, where the current of detente is sluggish when compared with Europe, as both Korea and the Soviet Union have confirmed the agreement.

The mass circulation newspaper said it hoped normalization of Seoul-Moscow relations would create a favorable environment for political stability and disarmament in the region and speculated that the Soviet Union must have persuaded North Korea to adopt open-door policies toward the world prior to its agreement with South Korea.

It forecast that relations between South Korea and China, upon which North Korea hopes to rely, will deepen through full-fledged cooperation with Seoul on the occasion of the Beijing Asian Games in September.

The two nations would establish virtual formal ties some day, although China will not recognize South Korea quickly because of its position with relation to Taiwan, it said.

The TOKYO SHIMBUN, in an editorial on the same day, appraised the agreement between Seoul and

Moscow as an adequate step in consideration of the international current of detente and likely to contribute to peace and stability in Asia.

The newspaper said it had a keen interest in how North Korea, which has opposed Seoul-Moscow normalization on the ground that it would perpetuate two Koreas, would react to the announcement.

NIKKEI SHIMBUN, in a news analysis, said there was a high possiblity the foreign ministers' meeting between South Korea and the Soviet Union that Seoul suggested would be realized given the Soviet attitude so far.

NIKKEI said it could not rule out the possibility that President No Tae-u would visit the Soviet Union at around the time of establishment of formal diplomatic ties.

It said North Korea's silence on Seoul opening diplomatic ties with East-bloc nations such as Poland and Czechoslovakia implied that Pyongyang had expected the moves, but that it was obvious the agreement between Seoul and Moscow was pivotal for North Korea's bid to keep its doors locked to the world.

NIKKEI said there was information that North Korea had stepped back from its call for immediate withdrawal of all U.S. forces stationed in Korea to a gradual pull-out in contacts with the U.S. diplomats in Beijing and is considering a joint venture with South Korea in a third nation.

China will stand by its policy of keeping politics separate from economics for the time being in its relations with Seoul because of its own problem with Taiwan, but is likely to take steps toward practical recognition of South Korea, NIKKEI said.

Kotra Inaugurates Trade Mission in Prague

SK0404030490 Seoul THE KOREA HERALD in English 4 Apr 90 p 6

[Text] Prague (AFP)—The south Korean trade promotion agency, Kotra, Monday inaugurated its new mission in the Czechoslovak capital, the official CTK news agency said.

The mission's director, Chang Yong-chung, said south Korean companies were interested in setting up factories in Czechoslovakia from which to export goods to the future unified European Economic Community market, while Czechoslovakia sought Korean capital to help build up its consumer goods industries.

Chang said that a delegation of 46 south Korean businessmen was due here Wednesday, and that they would attend an annual consumer goods fair in the city of Brno.

Korea and Czechoslovakia established diplomatic relations March 22 during a visit here by south Korean Foreign Minister Choe Ho-chung. Bilateral trade between the two countries reached $35 million last year first quarter.

Belgrade, Seoul To Hold Aviation Talks in June

[All non-Korean names as published]

SK3103005490 Seoul THE KOREA TIMES in English 31 Mar 90 p 3

[Excerpt] The Yugoslav flag carrier JAT [Yugoslav Airlines] will begin a regular flight service to Seoul within the year after concluding an aviation accord to that effect with the Korean authorities, said Miljenko Zrelec, president of Yugoslav Airlines (JAT), Thursday.

"Our Seoul service will be an extension of the current JAT Singapore and Bangkok flights," Zrelec said in a press conference of a Yugoslavian tourism promotion team at the Ramada Renaissance Hotel in Seoul. Zrelec revealed Yugoslav and Korean aviation officials will hold aviation talks in Belgrade in June to discuss air links between Seoul and Belgrade.

"We will launch the Seoul service two to three months after signing an inter-governmental aviation agreement in the talks," Zrelec said. "At the latest, JAT will be able to open the Seoul route by early spring next year."

He said Yugoslav Airlines will fly its DC-10 jetliners to Seoul twice a week fro Singapore and Bangkok, JAT's two operation points in South-East Asia. Zrelec said he met senior officials of Korean Air and Asiana Airlines and exchanged views on a broad spectrum of issues Thursday.

"They seem to have a keen interest in the East European travel market which is growing rapidly these days," said the head of the 43-year-old Yugoslav airline. [passage omitted]

Seoul Government Opens Embassy in Algiers

SK0304103590 Seoul YONHAP in English 0826 GMT 3 Apr 90

[Text] Seoul, April 3 (YONHAP)—South Korea opened an embassy in Algiers on Tuesday, the Foreign Ministry said. The Algerian Government informed international organizations and the diplomatic community of the embassy's opening, a ministry official said.

The embassy in El-Aurassi Hotel will serve as a provisional office until an embassy building is secured, he said, adding it brings to 136 the number of permanent Korean overseas missions.

Following the establishment of ambassador-level diplomatic ties with Algeria on Jan. 15, Pae Sang-kil was named charge d'affaires to Algeria on March 16 and began preparations for opening the embassy.

New Science, Technology Pact With U.S. Likely

SK0304102090 Seoul YONHAP in English 0804 GMT 3 Apr 90

[Text] Seoul, April 3 (YONHAP)—South Korea and the United States are likely to conclude a new agreement on science and technology cooperation that will beef up protection for U.S. technology in the first half of the year, Science and Technology Ministry officials said Tuesday. The previous science-technology cooperation agreement expired on Oct. 31, 1988.

The United States is demanding that the new agreement contain some institutional devices for protecting U.S. intellectual property rights and that it open the path for conclusion of a Patent Secrecy Agreement (PSA), the officials said. It also wants the new agreement to oblige Korea to abide by U.S. laws and regulations whenever problems arise in connection with patents or intellectual property rights.

The Korean Government has drawn up a measure to protect intellectual properties and is expected to conclude a PSA as soon as the final touches are put to it, some time this year, they said. The officials, however, are worried that Korea's dependency on the United States in the science-technology field may grow along with adoption of the new agreement.

The PSA is a device to protect those patents classified by the U.S. Government as military technology and it strictly forbids the transfer of such technologies to private industry, according to the officials said.

Since sophisticated scientific technologies are generally linked to military technologies, implementation of the PSA is expected to put a damper on efforts by South Korean businesses to develop advanced technologies.

The government was planning to ask the U.S. Government to keep the number of designated military technologies low as part of its effort to minimize the PSA's impact on domestic industries.

The United States has continuously asked Korea to abide by U.S. laws and regulations with regard to inventions and intellectual property rights, arguing that Korea does not have laws governing those areas.

U.S. To Withdraw Troops in Three Stages

SK0404071090 Seoul YONHAP in English 0541 GMT 4 Apr 90

[Text] Seoul, April 4 (YONHAP)—South Korea and the United States have agreed that U.S. troops will be phased out of South Korea in three stages, the Korea-U.S. Combined Field Army will be dissolved and a Korean general will take over as head of the Southern side in the Military Armistice Commission, the Defense Ministry said Wednesday.

The agreements are contained in a report assessing military strategy in East Asia that the administration of U.S. President George Bush is to present to Congress this month.

According to the ministry, the first stage of the reduction will see 2,000 air force and 5,000 non-combatant ground forces pulled out of South Korea between 1991 and 1993. The report, dubbed "Nunn-Warner Report," does not specify the scale of the second (1994-95) and third (post-1996) withdrawals.

After reevaluation of the politico-military situation following the first stage, the scale of the second and third stages will be decided with regard to the response of North Korea, it said.

Regarding the changed role of U.S. forces in South Korea, in the first stage a Korean officer will be appointed to lead the Southern delegation to the Military Armistice Commission meeting with North Korea. In addition, during the first stage (1991-93), the Combined Field Army will be disbanded and a Korean commander will be placed in charge of ground forces of the Combined Forces Command.

The report contains an agreement that operational control in peacetime, now in the hands of the American commander of the Combined Forces Command, will be transferred to the Korean-side during the second stage.

A ministry official said details such as timing, how to replace the chief delegate to the Armistice Commission meeting and the transfer of operational control will be ironed out in consultations between the military authorities. Disbanding the Combined Field Army and the operational changes in the Combined Forces Command will be sought in connection with a South Korean Government project now under way to change Korea's military structure, he said.

Regarding the withdrwal of the U.S. 2nd Infantry Division from the joint security area in the border village of Panmunjom, the report said both sides share the view that a third party is needed to act as a buffer because South and North Korea are in confrontation.

Both sides are seeking a way to increase the role of South Korean troops in the joint security area instead of removing American troops.

The U.S.-side has demanded 1.31 billion dollars from South Korea to help finance the storage of U.S. war materials, improve combined military capabilities and meet the cost of hiring Korean workers. Seoul has expressed a willingness to share the cost of employing Korean workers but insists on a gradual increase in the level of its financial support.

Government Shelves 'Real-Name' Financial System

SK0404032890 Seoul YONHAP in English 0259 GMT 4 Apr 90

[Text] Seoul, April 4 (YONHAP)—The South Korean Government, unveiling its eagerly awaited cure for the ailing economy, on Wednesday indefinitely shelved the real-name financial transaction system, scheduled to take effect next year. The economic-revival package announced by Deputy Prime Minister Yi Sung-yun also contains a special facility capital fund containing 1 trillion won (about 1.4 billion U.S. dollars) to extend loans at an annual interest rate of 8 percent to invigorate exports and investment in the manufacturing industry.

A crackdown on real estate speculation and measures to stabilize housing prices will also be put into practice, Yi said. The package of economy-boosting measures rolled out at the joint news conference of 13 economic ministers had been approved by President No Tae-u earlier in the morning.

"The government has decided to reserve implementation of the real-name financial transaction system in consideration of the bad effect and shocks it would bring in present circumstances," Yi said. The mandatory use of real names suffered the same fate under the government of former President Chon Tu-hwan in the early 1980s.

Since a Cabinet reshuffle on March 17, it had been widely expected that the growth-oriented new economic team would delay enactment of the system, which is designed to levy heavy taxes on financial gains for a balanced redistribution of wealth. The government, instead of going ahead with the real-name system, will increase the tax on gains from false-name financial transactions from the current 40 percent to 50 percent.

In a move to hold down the rampant real estate speculation, the government will extend the applicable period for inheritance and donation taxes from five years to seven-eight years as well as hiking the tax rates.

A cut in bank interest rates had been under discussion but was excluded from the comprehensive measures for fear it would induce short-term loan and insurance companies to lower interest rates by 1 percentage point.

To stimulate sagging exports, 20 billion won (280 million dollars) will be put into a project to restructure medium and small industries.

Under the pump-priming steps, capital to be invested in manufacturing facilities will be exempted from credit controls for one year and a one-year postponement will be allowed firms in the mandatory purchase of factory sites.

The government will stop banks from lending to real estate speculators and step up controls to block capital from flowing into the real estate market. At least half the apartments and houses under 25.7 pyong (about 84.8 square meters) built by private construction firms will be compulsorily distributed to applicants who don't own any real estate and the government will consider the introduction of a rent coordination system to prevent excessive increases, according to the package.

The government plans to maintain the total money supply growth rate at 15-19 percent and will consider lowering charges for electricity (5 percent), telephone (10 percent) and gas (7 percent) services.

* DLP Factions, Clubs, Pak Chol-on Discussed

902C0159A Seoul SINDONG-A in Korean 7 Mar 90 pp 170-186

[Article by So Tu-won, KUNGMIN ILBO Political Affairs Department reporter: "Pak Chol-on's Wolgyesu-hoe and the DLP Factions"]

[Text] **Power Strife in Store**

With the formation of a giant ruling party, the Democratic Liberal Party (DLP), attention is now focused on how its power map will shape up in the future in terms of checks and balances among the three factions of the old DJP [Democratic Justice Party], RDP [Reunification Democratic Party], and NDRP [New Democratic Republican Party] and formation of factions within factions. The trio of No Tae-u, Kim Yong-sam, and Kim Chong-pil, explaining the initiative they took in the reorganization of the political world, unanimously stated that "this was the decision we have made to save the nation, transcending our personal interests. Despite this claim, however, they banded together without abandoning their original power equation. For this reason, internal friction within the DLP will be inevitable, and even regrouping, conflict, or antagonism is anticipated.

Immediately after the three-party merger agreement was announced on 22 January, the DJP and the NDRP engaged in a war of nerves over power apportionment within the new party, and their rivalry came to the surface over the selection of key party posts, one side demanding "an equal three-way distribution" and the other side calling for a "distribution in proportion to the number of National Assembly seats" held by each of the three old parties. Looking the other way from the commonsense question, "Is it possible to agree to merge without making a decision on an apportionment of party power?" each party loudly claimed that its leader will be the supreme responsible person of the new party. This claim was a sign indicating that it would be difficult for the three groups—the DJP, YS (Kim Yong-sam), and JP (Kim Chong-pil) factions—to join in the melting pot of the DLP and achieve grand unity and no longer carry the certificates of their origin.

The prevailing analytic view is this: At the first sign that the splinter group which refused to join the new party, including Assemblyman Yi Ki-taek, was gaining in strength beyond expectation, the RDP, in an effort to "pull the family together," tried to stress that Kim

Yong-sam would have a firm hold on the new party. At the same time the DJP side refuted this claim because it wanted to avoid the impression that Kim Yong-sam was entering the fortress at the head of the occupation army.

One assemblyman of the DJP group predicted that "when the DLP holds the inaugural convention and settles down, the DJP, YS, and JP factions, externally, will pledge to achieve unity by respecting one another's power boundaries, but internally a competition for power will begin, each trying to draw people from other factions while holding a tight grip on its own people." He did not hesitate to offer his explanation with these words: "Even if there was a tacit agreement among No Tae-u, YS, and JP concerning the power structure or the next presidential race, politics is such that each of them cannot afford to expect the others to honor their promise unless they maintain their power base, can they?"

Four DJP Intermediary Bosses

In addition to these subtle squabbles among the three factions, there are signs that the internal structure of each faction is undergoing change. Particularly within the DJP group, an open controversy has already arisen over whether or not the factional alignment of each of its four intermediary bosses should be openly recognized.

On 8 February Pak Tae-chun, acting leader of the DLP, member of the leadership council, of the DJP faction invited four influential assemblymen—Yi Chong-chan, Yi Chun-ku, Kim Yun-hwan, and Yi Han-tong—who are regarded as intermediary bosses, to the Lotte Hotel for lunch, during which Pak urged the four to refrain from factional activities against one another. Emerging from the luncheon meeting, Assemblyman Yi Chong-chan disclosed that "we have agreed that it was not desirable to form factions within a faction," adding that "we have decided to cooperate and achieve unity within the DJP group" with Pak Tae-chun, acting chairman of the DLP Supreme Council, at the center.

However, that day's meeting had been originally scheduled as one among only the four intermediary bosses, but due to the pressure of the Blue House and the party leadership, the original plan was changed and it took place in the form of one held at Pak's invitation. Thus the meeting ended up calming and "sealing off" the controversy over factionalism for the time being.

The difficulty in solving the issue of factionalism within the DJP group boils down to two reasons. One, a fundamental one involving principle, is that in view of the difficulty to manage a huge group made up of 127 members under a single line of command, it is inevitable that power will be divided among a certain number of intermediary bosses and control of the group through cooperation and unity among them is the only possibility.

Assemblyman Kim Yun-hwan, who is well acquainted with the factional politics of the Japanese Liberal Democratic Party (LDP), said that "in the case of the LDP, LDP Diet members, whose number varies between 250 and 270, are divided into about four groups for control purposes." "The Tanaka faction," he said, "once controlled as many as 127 Diet members in an exceptional case, but the conclusion drawn from 40 years of factional politics is that the most optimum size of a faction is somewhere around 70 seats." Assemblyman Kim stressed that this principle is an objective example that can be adopted in Korea despite the political and cultural differences between Korea and Japan. He stressed the need to recognize factional activities by saying, "a long-range unity plan should call for managing the DJP group through a consultative body of intermediary bosses, with the acting chairman of the Supreme Council, Pak, at the top."

Another reason for the controversy over factionalism lies in the actual rivalry for power, and the controversy stems from the common acknowledgment among the intermediary bosses that Pak Chol-on, the first minister of state, who exercises tremendous influence in almost all aspects of party and state affairs under the absolute trust of President No, should be kept from "leaving the rest far behind."

Acknowledging problems involving the Wolgyesu-hoe [cinnamon-tree-on-the-moon society], Pak Tae-chun, acting chairman of the DLP Supreme Council, has expressed a strong determination to put an end to private groups by whatever means, and there are signs that the controversy over factionalism may develop into confrontation between him and Minister of State Pak.

Four assemblymen—Yi Chong-chan, Yi Chun-ku, Kim Yun-hwan, and Yi Han-tong—are in the same boat in the sense that they have all been left out in the cold in the concluding stage of the recent political restructuring. Thus they take a critical view of Minister of State Pak's factional move to form his own group by mobilizing the Wolgyesu-hoe and other private organizations. With regard to Assemblyman Yi Chong-chan, Yi was relieved of his post as DJP secretary general last summer because he opposed the move pushed by Pak Chol-on and other members of the New Mainstream faction of the Sixth Republic for the reorganization of the political structure and for a constitutional amendment to introduce the cabinet form of government, saying it was premature. Assemblyman Kim Yun-hwan, on the other hand, had been deeply involved in the political restructuring process, but he was left out from the party reshuffling and from the concluding phase of the merger plan early this year.

Assemblymen Yi Chun-ku and Yi Han-tong still cannot overcome the disappointment they felt at their exclusion from political restructuring work despite their devotion, as party secretary general and floor leader respectively, to settling the issue of cleaning up the aftermath of the misrule of the Fifth Republic.

"Strained Atmosphere" of Blue House Dinner

Reportedly, Assemblymen Yi Chun-ku and Kim Yunhwan strongly requested, in particular, that President No call Pak Chol-on to account for the turbulence he had created during the heated controversy over Assemblyman Chong Ho-yong's resignation issue, and also over the issue of factionalism touched off by his Wolgyesu-hoe and other private organizations, and they stressed that "his resignation is unavoidable."

However, when President No left them out in the cold and gave Minister of State Pak full power to handle political restructuring and the creation of a new party, they became skeptical and frustrated. Assemblymen Yi Chun-ku, a man of integrity, left Seoul immediately after the merger plan was announced on 22 January, boycotting President No's invitation to dinner and the DJP convention for the adoption of the merger resolution.

Reportedly, these four assemblymen, with this common background, and judging that Minister of State Pak was attempting to become the de facto manager of the DJP faction by rapidly expanding the Wolgyesu-hoe, found it necessary to form a united front against Pak. Nevertheless, believing that there would be more to lose than to gain if they were to directly oppose Minister of State Pak, who has actually established himself at the head of the largest faction within the DJP group as "the most influential of all influential persons," these intermediary bosses have reportedly mapped out their strategy to faithfully follow President No's urging "to unite as one around Acting Chairman Pak Tae-chun [of the Supreme Council] because he is my alter ego."

On 31 January, a week before Pak Tae-chun met with these four assemblymen, President No had made it clear to them at a dinner at the presidential mansion that "individual factional activities are undesirable." Originally, the four assemblymen had planned to meet among themselves without Pak Tae-chun because, according to an observer, their intention was to work out measures to deal a blow to Minister of State Pak Chol-on by acting within the bounds of President No's instructions, while consoling Assemblyman Yi Chun-ku.

The basis of their logic, in a nutshell, is that since they decided to unite under the leadership of Acting Chairman Pak Tae-chun [of the DLP Supreme Council] without forming factions within factions, Minister of State Pak should also abandon his attempt to form his own faction and come under Acting Chairman Pak's umbrella. This may be regarded as a kind of warning that it would be unfair if only the Wolgyesu-hoe were to be recognized while all other factions were disapproved, and that if Acting Chairman Pak could not handle this issue properly, they would have no choice but to resume their factional activities.

The Blue House dinner ended in a "strained atmosphere" (in the words of one of the guests) because, reportedly, it helped them firm up their determination that they "have to mount a counterattack, even if it is by a roundabout way."

At the party, Assemblymen Yi Chong-chan, Kim Yunhwan, Yi Han-tong, Sim Myong-po, and Chong Tongsong; and So Tong-kwon, director of the Agency for National Security Planning (NSP); and Minister of State Pak Chol-on had a bowl of noodles each and continued their conversation over drinks after President No left. One of the guests was so upset when someone criticized Assemblyman Yi Chun-kyu by saying "Isn't it a case of lese majesty that he spurned the president's invitation?" that he blew up and loudly gave vent to his pent up displeasure when NSP Director So made a light joke. As a result, the party broke up. This same influential assemblyman also poured criticism on one of his colleagues who had maintained a low profile throughout the party on that evening; but no quarrel ensued because no one countered him and the party broke up. Reportedly, a few days later NSP Director So had to apologize for what had happened at the party to Assemblyman Yi Chun-ku.

Pak Chol-on Faction, "Powerful of the Powerful"

Despite a joint counteroffensive by intermediary bosses whose influence cannot be ignored, Minister of State Pak continues to consolidate his position with his unique confidence and driving force. Pak, who is a cousin of President No's wife, flies into a rage whenever someone mentions "nepotism."

"I am what I am now by my ability and by the efforts I made long before President No came into power. Anyone who says that my position is the result of nepotism is wrong."

He claims that his case is entirely different from Kim Pok-tong or Kum Chin-ho, both of whom had to give up their plans to run for the National Assembly from their specific electoral districts in the 13th national election because of President No's principle against nepotism.

During the 1987 presidential election, separate from the activities of the DJP Election Measures Headquarters commanded by Assemblyman Yi Chun-ku, Pak Chol-on took charge of private organizations and rendered meritorious services in polling votes through the Wolgyesuhoe and other organizations. With the completion of the election and the inauguration of the Sixth Republic, all these private organizations except the Wolgyesu-hoe were either absorbed into the key party organizations or disbanded. The Wolgyesu-hoe alone still exists and is expanding its scope of activity within the existing political system, enlisting incumbent assemblymen as its members. As of the election time, the Wolgyesu-hoe's nationwide membership exceeded 1 million, but for the past two years, it was managed in such a way as to make it into a small elite group as far as general membership is concerned, with primary attention focused on enlisting politicians, such as incumbent National Assembly members and party district chairmen who are not National

Assembly members. Thus the Wolgyesu-hoe is playing its role as the main force of the Pak Chol-on faction.

In addition to known organizations such as the Wolgyesu-hoe (Chairman Yi Chae-kwang) and the North Policy Research Center (Director Na Chang-chu), Minister of State Pak has informal support groups not known to the general public, as well as an information team which daily collects information on all quarters and strata, summarizes it, and reports the information to him, and a brain trust who analyzes these reports and presents visions for the whole range of politics and policy on the basis of this analysis.

Publicly, sources on the Pak Chol-on side protest: "The Wolgyesu-hoe is at once a party-affiliated organization and a friendship group, and has nothing to do with Minister of State Pak. The North Policy Research Center is an organization in which DJP assemblymen gather to study northern affairs, and yet why do you persistently try to link it to Minister of State Pak, who is neither its director nor a research member?" However, one close aide said: "The disclosed membership of the Wolgyesu-hoe and the North Policy Research Center so far is only 15, mostly assemblymen elected for the first time, but the names of heavyweight assemblymen with experience as National Assembly members for three terms or more will be disclosed in the near future." He claimed that the total membership is approaching 60.

The original full members of the Wolgyesu-hoe include Assemblyman Kang Chae-sop, known as Minister of State Pak's right-hand man, and Assemblymen Na Chang-chu, Yi Chae-kwang, Yi Kung-kyu, and Pak Sung-che. In addition, the following assemblymen are either regular members or maintain a special relationship with this organization: Kim Chong-kil, Pak Hui-tae, Chi Yon-tae, Kim Han-kyu, Kim Chin-yong, Yi Yong-mun, Kim In-yong, Cho Yong-chang, Chon Yong-won, Yi Tok-ho, Han Sung-su, Sin Yong-sun, Yi To-son, Kim Kil-hong, Yi Sang-hoe, Choe Un-chi, Ko Se-chin, Cho Nam-uk, Yi Pyong-yong, Pak Chin-ku, and Chong Tong-yun.

In addition, the following assemblymen are either showing a tendency to lean toward Minister Pak while on intimate terms with other intermediary bosses or making more frequent contacts with him: Yang Kyong-cha, Ki Chang-suk, Kim Chung-wi, Hong Hui-pyo, Son Chu-hwan, Yi Tong-chin, Pak Chi-won, Hwang Song-kyun, Sim Ki-sop, Yi Ki-chon, Pak U-pyong, and Yu su-ho.

In addition, Assemblyman Pak Chun-kyu, who during his days as DJP chairman, took the same stand as Minister Pak on many issues, large and small, as well as influential Assemblymen Pak Chun-pyong, Yi Sung-yun, Chong Tong-song, and Kim Chung-kwon, who formed a new mainstream in the wake of the DJP reshuffle early this year, are known to be on intimate terms with Minister Pak.

Assemblyman Pak Chun-pyong, although he is the DLP secretary general, is getting along very well with Minister Pak because he never built his own factional force. Assemblyman Chong Tong-song, according to a source close to him, entered into an intimate relationship with Minister Pak during the stir created by the campaign related to the Assemblyman Chong Ho-yong's resignation issue last year.

Pak Chol-on Faction's Regenerative Ability

Minister Pak is known as the only person from whom President No seeks frank council on whatever issue, and thanks to this sound background, he is ahead of any others in terms of ability to raise political funds. He was able to build the largest faction within the DJP following the collapse of the Chong Ho-yong faction, not only because he had made a favorable head start but also because his influential rivals within the TK [Taegu-Kyongbuk] group, such as Assemblymen Chong Ho-Yong, Pak Chun-kyu, and Kim Yun-hwan, withdrew to the sideline.

Examination of the Pak Chol-on faction reveals that characteristically, its members are not concentrated on any particular area but evenly distributed geographically. One assemblyman of the DJP group interpreted this as a strategic success based on a careful circumstantial judgment.

He said: "Minister Pak seems to have thought that an end should be put to the long-standing internal strife between the TK and non-TK groups within the DJP. Particularly, believing that if he were to attempt to seize control of the TK group lock, stock, and barrel, it would pose difficulty in dealing with his seniors who had already built their firm positions, he adopted the strategy of beginning by enlisting freshman assemblymen from remote areas and local party district chairman outside the National Assembly and then gradually eating into the core from the outer wall. It is said that he owes his success to this strategy."

Recently, the Wolgyesu-hoe is focusing its efforts on enlisting politicians in the central part of the country, including Seoul, Inchon, and Kyonggi and Kangwon Provinces.

On the contrary, some point out that the president's favoritism is rather an Achilles' heel for the Pak Chol-on group. Regarding the question of whether Minister Pak still will he be able to maintain his factional group in the event he loses his power, many have a negative view. This is because they think that inasmuch as the peculiar power-oriented temperament of the ruling party was behind the recent rapid increase in the membership of the Wolgyesu-hoe, it would be difficult for this group to become one with a self-generative power, with members banded together by political creed or human bondage.

Nevertheless one influential assemblyman close to President No presented this hypothesis: "President No has selected Pak Chol-on as his adviser with whom he can consult without any sense of obligation or without any caution and has assigned him to key posts. But now

Minister Pak has grown so big that we think that his relationship with the president is undergoing change to the extent that if President No tries to push him back, he won't be able to do so at will. Human nature is such that people watch most those whom they trust most, isn't it?"

Minister Pak has the initiative in a power game within the DJP faction, but as a matter of fact, there are still many fence-sitters who hesitate to join his group, and quite a few assemblymen get in touch with the "anti-Pak gang of four."

First, Assemblyman Yi Chong-chan, who may be called the vanguard leader of the nonmainstream, keeps his contacts with his old acquaintances, sympathizers, and those who find it difficult to jibe with the mainstream.

Assemblyman Yi has remained steadfast as a man of the nonmainstream ever since he was out of favor with then President Chon during the Fifth Republic because he opposed the Academic Stability Law and called for reform of the party ethics following the 12 February general election. So, he is not in a position openly to expand his factional group. However, after the three-way party merger decision was made, Assemblyman Yi Chong-chan launched active factional activities, believing that factional politics is inevitable. He is drawing attention as he is attempting to tie up with the TK group, his long time rival.

"Nonmainstream" Standard-Bearer Yi Chong-chan's Groping

Assemblyman Yi, as the representative of what is commonly known as the SK (Seoul-Kyonggi) group, is trying to find a way to tie up with the TK group, which has been left out by Minister Pak, and holds frequent contacts with Assemblyman Kim Yun-hwan and those assemblymen who signed a paper in support of (then) Assemblyman Chong Ho-yong. Yi Chong-chan had several one-on-one talks with Kim Yun-hwan in late January and early February, and through these talks, they reached the agreement that "it is not desirable for the DJP group to be divided into TK, SK, and other factions on a geographical basis." On 8 February, when influential assemblymen met and agreed that the DJP group should "unite around DLP Acting Chairman Pak Tae-chun," Yi Chong-chan stated that "there should be no formation of factions on a geographical basis, although it will be possible to form groups after the merger of three parties according to lines and policies." Thus he expressed his willingness to form a unified group transcending regional division.

The SK group represented by Yi Chong-chan lags far behind the Wolgyesu-hoe or the TK group in terms of unity. The following assemblymen maintain their relationship with Yi: Yim In-kyu, Kim Ki-pae, Yi Tae-sop, Pak Chong-su, Kim Mun-ki, Hwang Chol-su, An Chan-hui, Yi Ung-son, Yi Cha-hon, Kang Song-mo, Cho Kyong-chik, and Sim Chang-ku. Assemblyman Yun Kil-chung, Adviser Kim Chong-ye, and Assemblyman Nam Chae-hui are classified as sympathizers. In addition, the following assemblymen are on intimate terms with Yi Chong-chan while they are free to choose their own courses of action: O Yu-pang, Yi Ung-hui, Yi Kang-hui, Yi Ki-pin, Kim Tong-in, Yi Hae-ku, An Pyong-kyu, Yi Chin-u, Kim Hyong-uk, Yi Yun-cha, and To Yong-sim.

Besides, Yi Chong-chan has an intimate relationship with party district chairmen out of the National Assembly in the Seoul, Kyonggi, and Honam areas, and shares their concerns about their future, talking with them over breakfast from time to time.

Quite a few people are of the opinion that even when factionalism becomes active, he will have no choice but to remain in the nonmainstream; accordingly, he will have relatively great difficulty in fundraising. But, it may be possible that contrary to his old DJP days, if he sets out to manage his group actively and form an ally with the TK group, he will play the role of casting a vote in the rivalry for power among three factions, namely, the old DJP, RDP, NDRP forces.

"Possibility" Exists, Kim Yun-hwan's Course

Assemblyman Kim Yun-hwan takes a different stand from those taken by the rest of the intermediary bosses who can form their own factions. Thanks to his peculiar position as President No's friend and his experience as DJP floor leader in charting the DJP course through the political terrain dominated by the opposition for one and a half years following the inauguration of the Sixth Republic, Kim was commonly acknowledged as the center of the New Mainstream. But according to sources close to him, this background is operating at once as his strength and as an impediment.

Kim Yun-hwan has shown the prudence of refraining from launching factional activities himself, although he had stressed the inevitability of factions within a faction long before the intermediary bosses agreed not to engage in open factional activities. Since last spring he has been in the habit of saying that "I am satisfied with being the kingmaker," and has wished to play the role of a behind-the-scenes interfactional arbitrator, just like Bukichi Miki, who merged Hatoyama's Japan Democratic Party and Yoshida's Liberal Party.

Under the circumstances in which Minister of State Pak is leaving the rest far behind, Kim Yun-hwan is not in a position to oppose Pak's intentions openly inasmuch as he is protected by President No. Therefore, Kim seems to have decided to steer his course in the direction of continuing to pursue his original intention. Recently he stated that "if there were none but factional heads in the DJP, a free-for-all would likely erupt due to an overheated competition," stressing that "there is an absolute necessity for a mediator who above all desires the supreme power or party power and whom other bosses can trust."

However, according to analysis of other intermediary bosses, judging from the fact that Kim Yun-hwan has occasionally shown his desire to try his bid if occasion aries, chances are great that he will throw himself with enthusiasm into mustering the currently dispersed members of the TK group once again.

In a similar vein, regarding Assemblyman Kim's passive attitude toward formation of a united front against Pak Chol-on while agreeing in principle that intermediary bosses left out of the center of power should cooperate with one another, Assemblymen Yi Chong-chan and Yi Han-tong hazard a cautious prognostication that "chances are seemingly great that he will revert to the mainstream."

On the other hand, Kim's close aides say that he can reemerge as an influential leader anytime he wants to on the strength of President No's trust in him, and that once he raises the "flag" to muster his followers, he can build as strong a faction as anybody else's because he has a broad power of kinship. One aide claimed that "he helped many while he was the DJP floor leader, and quite a few owed him their nomination as candidates in the 13th National Assembly election; therefore, most probably, he would be able to enlist somewhere near 70 people to his side."

At present, the following assemblymen are on intimate terms with Kim Yun-hwan: Sin Kyong-sik, Chang Kyong-u, Choe Chae-uk, Chang Yong-chol, Kim Chin-chae, Hwang Pyong-u, Chong Tong-ho, Kim Chong-ki, Kwon Hae-ok, Yu Su-ho, Ha Chong-han, Kim Il-yun, and No In-hwan. Assemblymen Chae Mun-sik, Kim Tae-ho, and So Chong-hwa also have a close relationship with him.

Yi Han-ton's Agony, Chong Tong-son's Rebellion

Assemblyman Yi Han-tong, who has held all three DJP executive posts—secretary general, Policy Committee chairman, and floor leader—one after another, and even, by a streak of good luck, the post of minister of home affairs, is active in his factional activities, breaking his silence which has lasted for some time. However, it seems that things are not going so smoothly. Needless to say, because of the pledge of the four influential politicians to refrain from factionalism, he is not making any open move. Yet, without his knowing it, there was a considerable leakage in his faction which he had taken pains to nurture for many years.

On 22 February Yi Han-tong convened a meeting of the Ilsam-hoe [13 society], his factional group, expressing his desire to concentrate his efforts on his role as the boss. But he was embarrassed at seeing that quite a few assemblymen had been absorbed by the Wolgyesu-hoe. The Ilsam-hoe, which was so named because it started out as a gathering of the 13 freshmen assemblymen elected in the 13th National Assembly general election. According to a belated report, at this meeting, participants generally knew who among the group had "changed horses," but there was a little bit of a side show in which Yi Han-tong pressed Assemblyman L and some others to make it clear "where they belong."

Particularly, when faction members pointed out that Yi Han-tong had been visibly negligent in his management of the faction after he joined the cabinet as home minister early last year, Yi reportedly took pains to soothe them by pledging "satisfactory care."

Feeling the damage to his faction from the Wolgyesu-hoe's offensive in the central part of the country, Yi Han-tong is trying to form a combined Kyonggi-Kangwon faction in cooperation with Assemblyman Sim Myong-po from Kangwon Province. Yi Han-tong, Assemblyman Sim, and Assemblyman Kim Yong-ku are meeting more frequently these days. However, even Sim, who exercised considerable influence in the nomination of candidates when he was party secretary general during the 26 April general election, was recently distressed to see that a check on assemblymen from Kangwon Province, which he has hitherto regarded as an area over which he has an absolute influence, revealed that quite a few of them recently transferred to the Wolgyesu-hoe.

A source close to Assemblyman Yi Han-tong expressed his anger at the Wolgyesu-hoe by saying, "do they have to go to this length in order to expand their influence without bothering about mutual decorum within the same party?" He was worried lest emotional antagonism should intensify when he added, "there are many other methods they can use without turning so many people into enemies, aren't there?"

At present, beginning with what is known as the "firebomb group" including Assemblymen Kim Yong-ku, Yi Song-ho, and Pak Chae-hong, who love to take fiery drinks, Assemblymen Chong Hae-nam, Yim Mu-ung, Kwon Tal-su, Se Chong-hwa, Kang U-hyok belong to the Yi Han-tong group. In addition, Assemblymen Kim Yong-son, Yi Min-sop, Sin Sang-sik, Hong Sye-ki, and Yang Kyong-cha maintain friendship with this group.

The prevailing view is that the withdrawal of Assemblyman Chong Tong-song, known as the brave general of the "bomb group," was a decisive blow to Yi Han-tong's factional management. Upon joining the group which petitioned against the forced resignation of Assemblyman Chong Ho-yong, Chong Tong-song began to take an independent course. Early this year he was named DJP floor leader out of consideration for this group and the Kyonggi area, and suspicion arose that his appointment was due to his intimate relationship with Minister of State Pak.

This suspicion arose because during a meeting of DJP National Assembly members late last year, Chong Tong-song openly attacked the evil practices of the Wolgyesu-hoe, demanding that "Minister of State Pak be censured," but shifting his attitude 180 degrees early this year, he began to faithfully fall in step with Pak's handling of the political situation and openly indicated his intention to install himself as a new intermediary boss for the Seoul-Inchon area. Chong Tong-song criticized the party leadership as he stepped down as floor leader in the reshuffle in late January, without being appointed even as Steering Committee chairman. However, coinciding with the recent stepped up efforts of the Wolgyesu-hoe to enlist assemblymen from the central part of the country, he once again directed the arrow of his criticism at Assemblymen Yi Chong-chan and Yi Han-tong, the intermediary bosses for the central region, thereby giving the impression that "his shift in line seems to be definite." Criticizing the 8 February meeting of four influential assemblymen in particular, Chong Tong-song openly directed his crude criticism at Assemblyman Yi Han-tong, his former boss, when he said, "Did he pay some dough to members of his group when he was appointed to his party post? Is he now going to try to get himself to be appointed to a party post again?"

Vacillation, Hesitation of "Petitioning Group"

The Chong Ho-yong group, which boasted of being the largest group within the DJP as late as last year, has been classified as the "petitioning group" since Chong relinquished his National Assembly seat, and our impression is that this group is wandering, unable to find the center for unity.

Assemblyman O Han-kyu, who showed the toughest stand by remaining on Chong's side to the end, has been tentatively marked for the post of Home Affairs Committee chairman in a conciliatory gesture; therefore, he is not in a position to oppose the mainstream.

The following assemblymen belonging to the TK group, even if they wish to join the Pak Chol-on or Kim Yun-hwan group, will find it difficult to justify such a move because they have stayed away from the New Mainstream due to the fact that these two men were the key members of the New Mainstream who spearheaded the drive to force Chong Ho-yong out of the National Assembly: Kim Yong-tae, Yi Chi-ho, Chong Chang-hwa, Yi Chin-u, Yi Chong-mu, Yu Ton-u, Yi Sang-tuk, Hwang Yun-ki, Kim Kun-su, Sin Chae-ki, Kim In-ki, and Yi Hak-pong. So, mortified, they are just watching the factional trend within the old DJP.

Unlike them, the following assemblymen are either loners or are leaning toward returning to the groups to which they were formerly affiliated or joining new groups: Pak Chae-hong, Chang Yong-chol, Chong Tong-yun, Chong Tong-hoe, Kwon Hae-ok, Chong Tong-song, Yi Sang-hoe, Yi Kang-no, Kim Chong-ki, Yi Cha-hon, Kang U-hyok, Pak U-pyong, Choe Chae-uk, Hong Hui-pyo, An Pyong-kyu, Yi Tong-chin, Sim Myong-po, Pak Chi-won, So Chong-hwa, and Yi Ki-pin.

What deserves particular attention is the fact that several assemblymen who played a leading role in the petitioning group are on a move to tie up with Assemblyman Yi Chong-chan. Immediately after the three-party merger announcement, they reportedly contacted Yi to urge him to come forward and launch an all-out factional move, representing those who were left out in political restructuring. Based on their judgment that if the nonmainstream were to be swept aside by Minister of State Pak, who is leaving them far behind, without raising a word of protest, it would be left out the nomination of candidates for the 14th National Assembly election. They seem to feel that it is urgent for the nonmainstream to form its own force to secure its share of power.

In addition, these assemblymen, although not close acquaintances of Assemblyman Yi Chong-chan, reportedly feel that if the petitioning group joins hands with him it would be of help in justifying the group's behavior because he had indirectly supported them in sympathy with the plight of Assemblyman Chong Ho-yong. At the same time they are pinning their hope on him because he has behaved as the most powerful anti-mainstream figure. Nevertheless, the petitioning group is, in fact, so dispersed in all directions that it cannot move collectively, and what is more, it is reportedly showing a somewhat passive attitude of waiting for Assemblyman Yi to hoist his "flag" before making up its mind. Actually, there is no move to tie up with him.

Pak Tae-chun Begins DJP Unity Drive

The prevailing view is that under the circumstances of the DJP group stirring an air current under the calm surface while restraining open factional activities, Pak Tae-chun, acting chairman of the DLP Supreme Council, holds the key to internal change.

Since he was appointed as the manager of the DJP group by the party president, namely, President No, Pak Tae-chun began to actively work for the unity of the whole DJP group. Thanks to his organizational and control ability forged by his experience in operating Pohang Iron and Steel Co. and his political connections which are far wider than is commonly known, Pak is said to be quietly bringing under his wings many assemblymen who are agonizing over the factional issue.

While showing consideration for those who were left out in political restructuring and while meeting members of various groups, singly or jointly, Pak arranges separate meetings for members of different party standing committees in his energetic bid for party unity.

From this move on the part of Pak Tae-chun, one gets the impression that it will inevitably come into conflict with Minister of State Pak Chol-on's Wolgyesu-hoe, which alone is expanding its strength at a time when all other factions are taking a wait-and-see attitude, and that the showdown which will break out within the DJP group as it seeks to redraw the political map is now in the countdown stage.

Not only because Pak Tae-chun makes it clear that factionalism is not desirable but also because Assemblymen Yi Chong-chan, Yi Han-tong, Yi Chun-ku, and Kim Yun-hwan have time and time again asked him to do something about the Wolgyesu-hoe from the point of view of fairness, he appears to have made up his mind to remove the room for internal strife within the DJP group and create a climate favorable for grand unity before the DLP completes the drawing of its map.

Showdown Between "Alter Ego," "Crown Prince"

Although well aware of the fact that President No patronizes Minister of State Pak Chol-on and winks at his Wolgyesu-hoe, Pak Tae-chun is showing his determination to settle the issue of private groups, in one way or another, on the grounds that the president has declared him to be his alter ego and that Secretary General Yi Chun-ku under presidential orders undertook to disband the Wolgyesu-hoe.

It was on 13 February that Pak Tae-chun opened fire on the Wolgyesu-hoe. Answering the reporters' question whether the policy of not tolerating private groups also applies to the Wolgyesu-hoe, he clearly declared that "I will lead and take charge of the Wolgyesu-hoe." In response to this, people of the Pak Chol-on group reiterated the group's old position that "it is a gross mistake to brand a friendship organization as a political one," insisting that "the Wolgyesu-hoe made a great contribution to the election of Candidate No in the last presidential election, and naturally, it should be maintained as an auxiliary organization of the party to prepare for the next election."

But Pak Tae-chun said, "the distinction is not clear as to whether it [the Wolgyesu-hoe] is a friendship organization or a political organization," warning that "if it exceeds the bounds as a friendship organization, it will pose a problem." On 14 February, the following day, Pak Chol-on retorted, "I don't think Acting Supreme Council Chairman Pak said what he is reported to have said. He must have been misquoted." Pak Chol-on made it clear that he won't budge even an inch when he said, "all organizations except official ones are private organizations, aren't they ? It should be O.K. as long as one does not do anything contrary to the president's intentions or the views of the party."

What is more, objecting to the claim that Pak Tae-chun has been named as the manager of the DJP group, Pak Chol-on once said that "Acting Supreme Council Chairman Pak should also organize his own group if he wishes to." Thus the antagonistic relationship between the two is expected to aggravate with the passage of time. There are even signs that the situation is shaping up which makes a showdown between the president's "alter ego" and the "Crown Prince" inevitable.

According to sources close to Pak Tae-chun, since he entered into parliamentary politics in the 11th National Assembly, he has kept in touch with those who were left out in the cold on the perimeter of the power center, and that is why he understands the plight of the nonmainstream well and has developed the ability to see internal party issues from the standpoint of the afflicted.

Pak Tae-chun had known Pak Chol-on only by sight but had had no intimate friendship with him before the former was appointed as DJP chairman. Pak Tae-chun is also said to have had serious misgivings about Pak Chol-on's dogmatic style. For this reason, it is hardly to be expected that they will reach a very ambiguous compromise unless President No intervenes.

If Pak Chol-on stops expanding the Wolgyesu-hoe and agrees to integrate it into an official organization, it is expected that the DJP group will demonstrate considerable cohesive power under Pak Tae-chun's stewardship, and that the intermediary bosses of the nonmainstream will recover their influence. The consensus of political circles is that, conversely, if Pak Chol-on continues on his current course, chances are great that Pak Tae-chun will lose his control of the DJP group, and other intermediary bosses will be relegated to the captains of splinter groups.

Kim Yong-sam Seeks "To Take Over" Whole Ruling Camp

Whereas the DJP faction—which has 127 National Assembly seats, or three-fifths of the giant ruling party—is experiencing a complex internal strife, the RDP faction with 54 seats and the NDRP faction with 34 seats are generally expected to strengthen themselves each as a single factional entity.

It is expected that in the case of the RDP faction, it will demonstrate a far greater cohesive power than the DJP or NDRP faction because its members shared the same joys and sorrows together during their opposition days. The political experience of YS indicates that he has given the first priority to factional management, and it is a general consensus that no one can match him in the power of persuasion..

The RDP has thrown itself into the ruling camp, as only one-fourth of the strength of the DLP, but within the RDP faction there is widespread optimism that when the opportunity arises for YS to become the next president, it will be a cinch for him to "take over" the whole ruling party.

His style being that of directly controlling RDP faction members, YS is building a single direct control system obviating any need for intermediary bosses. Although his charisma may have been damaged somewhat due to his change of course from the opposition to the ruling camp, it is unlikely that he will lose his influence over people in Pusan and South Kyongsang Province and over the middle-class electorate; therefore, it would be a big risk if any assemblyman belonging to his faction should try to maintain his political life independently from YS.

In view of this, it is expected that while maintaining his command over the RDP faction, YS will gradually extend his hand to expand his influence to the DJP and NDRP factions in an effort to consolidate his position in the DLP.

Within the RDP faction, Secretary General Kim Tong-yong is regarded as the only intermediary boss, but it will be difficult for him to form his own faction within the faction. It is expected that trailing Kim Tong-yong, Assemblymen Kim Tok-yong will rapidly rise as an influential man with his own support group, and Assemblyman Hwang Pyong-tae will also consolidate his position as the most trusted staff officer in the overall political and policy areas.

YS's former secretaries, the cradle of the YS faction, will also consolidate their positions, and some even prognosticate that Assemblymen Mun Chong-su, Kim Tong-kyu, Sim Wan-ku, Kim Pong-cho, So Chong-won, and Choe Ki-son will form a New Mainstream with Assemblyman Kim Tok-yong.

Particularly in case of Kim Tok-yong, he is trusted by YS so much that he is called YS's alter ego, and on the basis of this trust and through human relationship, he maintains extensive contacts with YS' immediate associates. So, some even say that "if voting takes place right now to select the vice chairman through competition, he [Kim Tok-yong] will be chosen." Kim tok-yong entered parliamentary politics for the first time in the 13th National Assembly, but he had attracted so much attention even before he wore his National Assembly gold patch that he was regarded as a match for any "third-time assemblyman."

Among influential assemblymen, So Sok-chae and Sim Wan-ku have played a major role in persuading RDP assemblymen who refused to join the DLP and holding would-be bolters in check, and insiders say that So will receive special consideration from YS as a result.

In the case of Hwang Myong-su, he is playing the role of an intermediary boss, frequently dining with those assemblymen who are on the same wavelength with him. Assemblyman Kim Tong-chu, on the other hand, is trying to reactivate the Minjudong-u-hoe [Society of Democratic Friends] made up of 18 members. But the majority view is that Hwang Myong-su is not yet in a position to form his own power group, and chances are slim that the following Minjudong-u-hoe members will band together in a factional group: Assemblymen Choe Chong-sik, Kim Nam, Pak Kyong-su, Sin Ha-chol, Yu Ki-chun, Song Tu-ho, Mun Chun-sik, Kim Un-hwan, Choe I-ho, Hwang Tae-pong, Yi Hyang-ku, and Yu Sung-pon.

Those assemblymen who had shown signs of bolting the party, including Kim Che-kwang, Sin Sang-u, Hwang Nak-chu, Pak Yong-man, Pak Chong-yul, and Pak Kwan-yong may bolt depending on circumstances, because they are already detached from YS in their hearts, or they may form a nonmainstream group or lead the way in transferring to the DJP or other faction.

The foremost concern of the RDP faction is in essence how to lead the present merger mechanism in such a way that YS can seize the supreme power of the state. This is because as YS' position becomes secure, his influence will automatically increase. Assemblyman Hwang Pyong-tae said, "From now on, YS will steadily expand his influence in the ruling camp until the 1992 general election." He expressed the optimistic view that "the relationship between President No and YS cannot but be a zero sum game; nevertheless, with the nomination of candidates for the 14th general election and the holding of that election as a watershed, a smooth transition of power will take place."

However, some in the RDP faction voice fears that this faction may turn out to be an underdog in the power game among the three factions, particularly between the DJP and RDP factions. According to them, even if YS becomes the chairman of the [DLP] Supreme Council, no one should ignore the possibility that the organization of the RDP faction which is enmeshed in the vast and intricate power structure of the ruling camp will melt down.

Quite a few expect that YS will gradually set out to expand his faction after establishing the official structure of the DLP. Since his close aides are stressing that he "will never engage in factional activity," naturally he will not launch into an open competition to expand his influence. But observers say that he will gradually enter into a relationship with those coveted figures inside the DJP faction, which is a rich source of talented men, in a natural manner, for instance, by dining together with them.

Kim Chong-pil Eyeing Third Republic Holdovers

The NDRP faction, with the smallest share of National Assembly seats in the DLP, is expected to make a long-range effort to "add muscle" on the strength of JP's past personal connections and his kinship, while moving as a single JP faction.

According to sources close to JP, inasmuch as JP himself proposed a role sharing with YS, he will exert efforts to deal with political developments by demonstrating his consummate skill in modulating the interests of the different factions behind the scenes and in adjusting DLP relations with the opposition at a varying tempo.

It seems that in view of his weak factional strength, JP, who sees himself acting in the political style of a Japanese elder statesmen, will hope to exercise behind-the-scenes influence, while playing a buffer role when the DJP and RDP factions compete for power, rather than seeking to seize hegemony over the DLP himself. Nevertheless, he is expected to build up his influence by widely enlisting holdovers from the Third Republic inside the DJP faction.

JP's close aides think that it will be difficult for DJP faction members to band together cohesively in one or two groups, and expect that in the DJP faction, there will be quite a few holdovers from the Third Republic as well as those who may jibe well with the JP style. The following figures are the ones who JP is likely to get in touch with on a priority basis: Assemblyman Chon Sok-mo, former the director of the National Police Headquarters and South Chungchong Provincial governor in the Third Republic; Assemblyman Yi Tae-sop, JP's former senior secretary; Assemblyman Kim Yong-ku, former chairman of the Youth Affairs Subcommittee of the old NDRP; and Labor Minister Choe Yong-chol and Transportation Minister Kim Chang-kun.

Most of the incumbent assemblymen belonging to the NDRP faction, like those of the RDP faction, succeeded in entering politics on JP's coattail; accordingly, JP is confident that when they are integrated into the DLP, there will be no problem as far as factional unity is concerned. However, some point out that supposing the DJP faction sets out to enlist them, one by one, offering them "positions," JP cannot be so sure of himself.

Most of the key assemblymen in the NDRP faction are former government officials and we can hardly spot anyone who is likely to come out to claim the position of an intermediary boss. At the best, Assemblyman Kim Yong-chae has potential, but observers say his chances are very slim.

Policy Committee Chairman Kim Yong-hwan, who took the initiative in the political restructuring process, has emerged as the number-two man in the NDRP faction based on JP's trust in him. The majority opinion is that his style being that of supporting his superiors faithfully, he will pay primary attention to playing the role of a "wise man" banking on his organizational finesse.

New Generation May Push One No, Two Kims Out

The focal point for the DLP in arranging its internal territory may be the question of to whom the supreme power of the state and party power for the next term should go. For instance, if as rumored there is a secret agreement between No, YS, and JP to nominate YS as the first prime minister and let YS actually take charge of party affairs after the DJP revises the Constitution to introduce the cabinet system, then President No's grip on the party and the government will rapidly weaken, giving rise to a situation in which YS will come to literally take over the whole ruling camp.

But even if such an agreement actually exists, there will crop up unexpected changes which are customary in politics in our country, and what is more, it can hardly be expected that the mainstream of the old ruling party will voluntarily surrender its vested interest. As a matter of fact, thanks to their common ground as politicians of the "6-3" generation [younger generation], Minister of State Pak Chol-on and Assemblyman Kim Tok-yong reportedly have become such intimate friends in the recent behind-the-scenes merger negotiation process that they have engaged in heart-to-heart dialogues. Some claim that their current relationship is such that they can discuss the political map for the period after one No and two Kims.

In fact, among the younger generation in the two major factions, including Pak Chol-on and Kim Tok-yong, the opinion is being aired that "supposing the present frontrunning faction leaders honorably retire from politics sooner or later, the fresh younger generation should take charge of political power after them, instead of leaving things to the old politicians in their late fifties and in their sixties imbued with their old political practice. The need for change in generation is being discussed somewhere under the surface, reminiscent of the call made by Kim Yong-sam some 20 years ago that "ones in their forties" should be standard-bearers.

But, first of all, YS and JP still have to go a long way to achieve their original political goals, and politicians who come under the category of "old politicians imbued with their old poetical practice" have their own visions, and the majority view is that the drawing up of the political map for the next generation is still like a wild-goose chase.

Public Fears, Expectations

On the other hand, it deserves attention that groping for factional power expansion among the three factions is taking shape sporadically.

The three factions, with the priority of keeping their respective house in order, seem to be cautiously going about "increasing their men," and the RDP and NDRP factions appear to be watching the Wolgyesu-hoe most closely.

On the contrary, the situation of the DJP faction is such that all have to guard against the "outstretched hands" of YS, master of persuasion, and of JP, carrier of the lineage of the old ruling party, but the atmosphere indicates that the consensus has been formed that it is more urgent to put an end to the internal strife.

No one can rule out the possibility that Assemblymen Yi Chong-chan and Yi Han-tong and other DJP intermediary bosses will tie up with YS and others if they feel that they do not have enough power to oppose the Wolgyesu-hoe.

As for YS, there is, in fact, a great possibility that he will opt to join hands with groups within the DJP faction, rather than engaging in a three-faction competition for power which will cost a lot of money and which will have an adverse effect on his image. In case of Assemblyman Kim Yun-hwan, he can tie up with either YS or JP, and the possibility cannot be ruled out that if President No nominates Minister of State Pak Chol-on as his "heir," Kim will tie up with Pak.

It is also possible that regrouping and realignment among rival factions will take place in the DLP in the fashion of the warlords in the age of civil wars in ancient China, in the context of the intertwined interests of internal groups, large and small. It is also possible that the giant ruling party, which lacks experience in factional politics, will disintegrate, and it is certain that change in the PPD and other opposition forces will operate as an important variable.

In whatever direction the DLP sets its course, it should be guided by the fears and expectations with which the public views the merger between the ruling and opposition parties, regarding them as its compass.

Opposition Questions DLP-CPSU Ties

SK0204075990 Seoul YONHAP in English 0624 GMT 2 Apr 90

[Text] Seoul, April 2 (YONHAP)—Opposition leader Kim Tae-chung's party demanded a clear explanation Monday of the "establishment of cooperative relations" between South Korea's ruling Democratic Liberal Party (DLP) and the Soviet Communist Party.

The sole opposition party, the Party for Peace and Democracy (PPD), urged the DLP to clarify its position and the background of the announced agreement, which was made during DLP co-leader Kim Yong-sam's recent visit to the Soviet Union.

People are confused about the agreement, it charged.

"A clear explanation should be made of how the DLP, which has cracked down on many people for violating the National Security Law based on anti-communist ideology, has reached an agreement with the Soviet Union, the suzerain communist state," Rep. Kim Tae-sik, PPD spokesman, said.

"Is it logically reasonable for the DLP to scrap the National Security Law and release those arrested under the law now that it hopes to make exchanges with the Soviet Communist Party?"

A joint statement issued at the end of the DLP leader's Moscow trip March 20-28 said the establishment of cooperative relations between the two parties was desirable for strengthening political cooperation between the two countries.

The PPD opted out of the merger of President No Tae-u's government party and two centrist opposition groups led by Kim Yong-sam and Kim Chong-pil earlier this year. Kim Tae-chung has launched an offensive against the government.

Opposition Draws Up By-Election Questionnaire

SK3103012790 Seoul THE KOREA HERALD in English 31 Mar 90 p 2

[Text] The opposition PPD [Party for Peace and Democracy] yesterday sent a written questionnaire to President No Tae-u demanding that he assume responsibility for his alleged interference in the Taegu by-election.

The questionnaire, to be delivered to No via National Speaker Kim Chae-sun, bore the signatures of the 70 PPD lawmakers.

The accusatory questionnaire first took issue with the reported involvement of high-ranking government officials in persuading the independent candidate Chong Ho-yong to withdraw.

Citing reports that pressure was applied on Chong by former first deputy director of the Agency for National Security Planning An Ung-mo, Kyongsangpuk-to Governor Kim Sang-cho, Minister of Defense Yi Sang-hun and former Minister of Agriculture, Forestry and Fisheries Kim Sik, the questionnaire asks the President if he has any intention to punish these officials who allegedly violated the principle of political neutrality.

If No does not punish these officials, the lawmakers claimed, this means they have acted under No's acquiescence, which in turn implicates the President in violation of the Constitution.

The PPD lawmakers also accused No of directly persuading Chong to resign his candidacy, which was attested to by Chong himself, and pressed No to assume responsibility for breaking the constitutional injunction of political neutrality.

Quoting Chong as having said that after his withdrawal he obtained a guarantee from No on the personal security of his followers, the questionnaire asked No whether such illegal imposition of pressure on Chong's followers complies with the reformist spirit proclaimed by the new ruling DLP [Democratic Liberal Party].

The PPD lawmakers also called on No to have Kim Yong-sam, one of the three co-leaders of the DLP, apologize for his threatening remarks on March 16 that he would employ every means possible to defeat Chong.

"That a ruling party leader, who has no qualifications for electioneering in the Taegu by-election, makes utterances influencing the outcome of the election is indicative of the party's outmoded way of thinking," the questionnaire said.

The lawmakers, in sum, demanded that No admit his failure to fulfill his role as the guardian of the Constitution and apologize to the public.

By-Election Viewed as Mandate for Party Merger

SK0304023690 Seoul THE KOREA HERALD in English 3 Apr 90 p 2

[News analysis by staff reporter Yi Song-yol: "Voter Turnout in By-Elections May Be Lower Than in '88"]

[Text] Voters in a Taegu constituency and Chinchon-Umsong counties in Chungchongbuk-to province go to the polls today in a parliamentary by-election to pick two new lawmakers, with ruling party candidates expected to win.

The 20-day races have basically been a contest between candidates of the ruling Democratic Liberal Party (DLP) and a yet-to-be-formed opposition party tentatively named the Democratic Party [DP], without participation by the leading opposition Party for Peace and Democracy [PPD]. All of the candidates—the DLP's Mun Hi-kap in Taegu So-ku A and Min Tae-ku in Umsong-Chinchon, and the DP's Paek Sung-hong and Ho Tak—say they are positive about securing victory.

but election analysts predict the ruling party candidates, Mun and Min, will emerge winners.

In the Taegu race, observers have predicted an easy victory for Mun, former senior presidential secretary for economic affairs, since March 26. On that day strong contender and independent Chong Ho-yong, whose forced resignation as a lawmaker last December in connection with his role in the 1980 Kwangju incident caused the National Assembly by-election there, suddenly declared he would drop out of the race. By that time, polls showed that Chong, who took political responsibility for the Kwangju incident, was ahead of Mun by a small margin, which made the DLP very uneasy and embarrassed.

Many of Chong's supporters claim that the withdrawal of the former four-star Army general, who left for San Francisco Sunday on a yearlong U.S. visit, was "forced" by the ruling side. With Chong's abrupt withdrawal, some 20 percent of the district's 132,364 eligible voters have until late last week been undecided, and both Mun and Paek did their best to absorb as many of the floating votes as possible. Election observers say voter turnout in the constituency is also expected to lowered to 70 percent, compared with 77.5 percent in the last general elections in April 1988.

Mun's campaign aides say some 100,000 voters may cast ballots, adding that the DLP candidate would win if he garners 50,000 votes. But as Chong earned 52,847 votes in the last general elections, they say Mun must garner more than that. Until the last minute Mun's campaigners said they would do their best to prevent abstentions, predicting an easy victory over Paek Song-hong, who earned 22,234 votes in the 1988 Assembly elections there.

An Assembly by-election in Umsong-Chinchon counties in Chungchongbuk-to is being held to fill the Assembly vacancy caused by the death of Rep. Kim Wan-tae of the ruling party. The race between the DLP's Min Tae-ku, who was until recently governor of Chungchongbuk-to province, and the DP's Ho Tak, was regarded as an easy race because of the difference in their "political weight." But violence by DLP campaigners against a DP lawmaker, Pak Chan-chong, March 28 has made the competition closer.

Both the DLP's Min and DP's Ho were born in Umsong county which has 53,444 voters, and Min's campaigners vow to garner at least 70 percent of the votes cast in Umsong, and at least half in nearby Chinchon which has some 37,000 eligible voters. In the last Assembly election here, the deceased Rep. Kim garnered 44.2 percent of the votes cast and defeated Ho, then an independent runner who earned 24.2 percent.

Min's aides say his election pledges of building a college, expanding an agricultural-industrial complex there and other local development projects have met with favorable responses from the voters here. But Min's camp seems worried about Chinchon. Ho has attacked the ruling side for the recent three-party merger, violence against Rep. Pak, and the government's failed agricultural policy, appealing for support from Chinchon county, which has long favored opposition candidates.

Most election observers, however, predict the ruling party candidate's victory here as well, pointing out his superiority in funds, organization and political weight. They also point to the absence of PPD candidates.

The leading opposition party has decided not to nominate candidates for the two Assembly by-elections, as it knew its chances are slim in the two areas—Taegu and Chungchong province—which are far from its political stronghold and where it failed to elect even a single candidate in the last general elections.

If both of its candidates win their races, the ruling DLP will be politically encouraged in connection with its recent three-party merger and in policies it's pushing, gradually stabilizing the existing larger-ruling-and-small-opposition framework. Whether the structure is desirable or not, that's up to the people to decide.

Independent Candidate Wins By-Election

SK0404081290 Seoul YONHAP in English 0212 GMT 4 Apr 90

[By Hong Sang-pyo]

[Text] Seoul, April 4 (YONHAP)—An unknown independent dealt a setback to President No Tae-u as the powerful ruling party was denied the vote of confidence it had sought in a by-election Tuesday in South Korea's North Chungchong Province.

No's candidate in a second by-election, in a traditionally solid ruling party district in Taegu, appeared to be cruising to victory in early returns amid opposition charges of "rigged counting."

The upset victory of unheralded Ho Tak, representing a formative opposition group tentatively named the Democratic Party, over Min Tae-ku of the Democratic Liberal Party (DLP) in Chinchon-Umsong Constituency is seen as a severe political blow to No personally and to the government, which had dubbed the by-elections a referendum on the merger of the old ruling and two opposition parties into the DLP in February.

Ho Won 37,441 of the 70,356 valid ballots cast, a 6,000-vote margin over Min's 31,178 votes, the Central Election Management Committee said.

In West A Taegu constituency, which drew most attention because the district's influential former assemblyman dropped his independent bid under pressure from No and the ruling party, Mun Hi-kap of the DLP with 16,679 ballots had a 3,519-vote edge over Paek Sung-hong as of 10:30 A.M. The vote is expected to be decided by 4 P.M.

The stunning setback for No in Chinchon-Umsong constituency in the central province will encourage the opposition to step up its political offensive against the government and has severely damaged the DLP's claim to legitimacy, analysts said.

The result is being interpreted as a protest vote by farmers against the government's agricultural policy, especially market opening under pressure from the United States, which has cut their incomes, and a thumbs down to the three-party merger, though anger over the ruling party's campaign methods also played a role, the analysts said. The shocking outcome might also have arisen from the so-called anti-bandwagon effect, with voters seeking to check the majority, they noted.

Ho's triumph is sure to boost the fortunes of the nascent Democratic Party, an unofficial group of politicians who refused to join the DLP in the merger that wrought a basic change in the structure of Korean party politics.

Kim Tae-chung's Party for Peace and Democracy (PPD), the only opposition party at present, did not contest the by-elections on the grounds that it was calling for general elections to allow voters to give their verdict on the merger. Kim's PPD has denounced the merger as anti-democratic, anti-national and a coup-like challenge to the sovereignty of the people and urged No to call general elections to test the merger at the ballot box.

The outcome of the by-election in Chinchon and Umsong counties was especially shocking since it contradicted predictions that the DLP candidate would easily defeat the lightly-regarded independent.

Ballot casting on Tuesday in both constituencies was conducted smoothly and without any trouble, but counting in West A Taegu was suspended when a bundle of 100 ballots for Paek was counted for Mun. The trouble was settled after officials of the election management committee decided to conduct a recount, a move that is expected to delay final results until 3 to 4 P.M. Wednesday, election officials said.

Voter turnout was poor in both constituencies compared with the last elections, in April 1988. Turnout was 84,644 in Taegu, 63.9 percent of the 132,364 eligible voters, far below the 77.5 percent in 1988, and 70,356 in Chinchon-Umsong, 78.2 percent of the 89,987 eligible voters, down from 85.1 percent, according to the final tally by the election management committee.

The poor showing, especially in West A Taegu, is attributed to the withdrawal of influential former lawmaker Chong Ho-yong from the hotly contested race, the analysts said.

Chong, defense minister and Army chief of staff under former President Chon Tu-hwan's administration, was a strong contender when he resigned eight days before balloting. He was bidding for the seat he had vacated last year to assume responsibility for the military suppression of the 1980 Kwangju civil uprising in what seems to have been a political deal between No and the opposition in connection with liquidation of Chon's rule.

Chong denied the charges regarding the Kwangju uprising and sought re-election to, he said, restore his honor and prove his innocence. But No saw Chong's bid as a challenge to his government. Chong's followers had strongly opposed his pullout, contending he should not be a political scapegoat for the administration a second time.

The election in Taegu, whatever the outcome, has dealt a blow to No as the showdown yielded no real winner.

Ho, 55, a former district chapter chief of the PPD, joined the Democratic Party just before the race in his fourth bid for election.

"My victory is a triumph for our party and for democracy," he said afterward. "The outcome is the people's stern verdict on the political deal between the three parties and a show of popular mistrust in the government of No Tae-u."

His victory gives the Democratic Party eight seats in the National Assembly.

Burma

Mon Rebels Say Rangoon Troops Killed Civilians

BK0404005690 Bangkok BANGKOK POST in English 4 Apr 90 p 6

[Text] Mae Sot, Tak—Ethnic Mon insurgents claimed here yesterday that Rangoon troops were responsible for the deaths of civilians in a battle in Ye last week. Secretary of the Organisation and Information Committee of the Democratic Alliance of Burma, U Aye Saung, claimed civilians were killed by random machine-gunning from Burmese aircraft. U Aye Saung said his troops did not enter the town area during the Burmese attack. There had been reports that on March 23 [date as published] about 300 men from the New Mon State Party's 33rd battalion launched simultaneous pre-dawn attacks at a rail junction at the township of Ye, about 240 kilometres east of Rangoon.

Burmese military spokesman Col [Colonel] Than Tun said the Mon insurgents fought their way into the civilian area and killed three residents, including a three-year-old child. The Mon were also accused of wounding 16 civilians in the attack. Parts of the city were set ablaze during the battle. Three homes were destroyed as well as part of a government building, Col Than Tun said. U Aye Saung said his forces only attacked the police station, the military base of the 61st infantry regiment, and the office of the State Law and Order Restoration Council. He said government troops called in four aircraft which pounded the township, killing and wounding innocent civilians. U Aye Saung said his forces managed to seize control of government offices, but retreated because they did not want civilians hurt in the clash. The Mon spokesman said three of his soldiers were killed and seven others wounded in the six-hour clash. Col Than Tun said earlier that 43 Mon were killed and 37 were captured while four Burmese security troops were killed and 14 wounded in the battle.

Chairman of ABSDF Grants Interview to Delhi

BK0304120190 Delhi External Service in Burmese 1130 GMT 2 Apr 89

[Interview with Moe Thee Zun, chairman of the All Burma Students' Democratic Front, by Maw Thiri, head of All India Radio's Burmese Broadcasting Service; date and place not given—recorded]

[Text] [Maw Thiri] Dear listeners, Moe Thee Zun is here with me; I will begin my interview with him now. Can you please tell me what ABSDF stands for?

[Moe Thee Zun] It is the All Burma Students' Democratic Front.

[Maw Thiri] When was the ABSDF's second congress held and what resolutions were passed?

[Moe Thee Zun] Despite many difficulties, we were able to hold the second congress on 2 December 1989. The congress was able to formulate a correct political and military line. We discussed our stance on the elections and formulated our future programs. We were also able to form a new Central Committee. It was something of a victory for the ABSDF.

[Maw Thiri] Can you explain the ABSDF's political and military line?

[Moe Thee Zun] The objective of our political line is:

1. To liberate all people oppressed by the military dictatorship,
2. To end the civil war and build peace in the country,
3. To attain democracy, and
4. To build a union with national unity as its goal.

[Maw Thiri] Can you please tell me what the ABSDF has done to achieve these goals?

[Moe Thee Zun] These four goals are the aspirations of our people; without these goals, there can never be a Burma at peace. We have often asked for a resolution of the political problems through peaceful means, but the military government has unilaterally declined to do so. This is well known by the world. So, in order to achieve these objectives, a crucial decision was made at the ABSDF's second congress—to formulate a correct military line. That is, to set up a Students Army. This Students Army will strive to help attain our objectives.

[Maw Thiri] Just a minute, what is your Students Army? Can you explain who is in it and how it came about?

[Moe Thee Zun] All front members are student soldiers. Anybody who is pro-democracy, regardless of age, sex, religion, or race, can be a member of our front. Our Students Army emerged from the four eights [8 August 1988] democratic revolution; it is also an extension of the history of the All Burma Students Union, which is prestigious for its lofty revolutionary tradition. Our Students Army emerged to carry on the legacy of the great revolutionaries and as a requirement of history to successfully bring an end to the 40-year civil war.

[Maw Thiri] The BSPP [Burma Socialist Program Party] Army is launching offensives today. Can you explain what they aim to achieve?

[Moe Thee Zun] The BSPP Army has three objectives in launching offensives. They are:

1. To hold the elections,
2. To break the strength of the students at the border, and
3. To go all out in their timber and heroin trade at the border.

[Maw Thiri] How strong is the ABSDF? Is it true that some of its camps have already been occupied by the Army?

[Moe Thee Zun] Yes. Presently, there are about 5,000 of us—about 3,000 in the Karen and Mon areas and about

2,000 in the Kachin, Pa-O, Karenni, Palaung, Huai Ho, Bangladesh, and other Burmese border areas. It is indeed true that we had to give up some of our camps. We had to retreat from our Mawton, Three Pagodas Pass, Thay Bawbo, and Moe Ke camps. Our military tactics today do not involve holding territory, but are based on conducting mobile warfare on a guerrilla warfare basis. If we lose a mountain here, we fight on another mountain. If we lose a camp here, we wait and fight out of another camp. This way, we will tire out the BSPP Army. It is a very successful tactic. There was nothing of value in the camps we lost because there were only huts with thatched roofs and walls. In order to occupy these camps, however, the BSPP Army had to sacrifice many soldiers.

[Maw Thiri] What do you think about the elections scheduled for 27 May?

[Moe Thee Zun] The elections are completely unjust. Therefore, we do not recognize them. The primary requirements for keeping the elections fair are revoking the military administration that is in force; permitting freedom of assembly, speeches, and publishing; and releasing all political prisoners. Today, not only have these basic requirements been ignored, but representatives of the people, such as U Nu, U Tin U, and Daw Aung San Suu Kyi, have even been detained and jailed through illegal means. They have also deregistered the National Politics Front, the Evergreen Young Men's Association, and the People's Progress Party. From this, one can simply deduce that the elections to be held by the military government can never be fair. The elections are only being held to safeguard U Ne Win's interests. Hence, we do not recognize these elections.

[Maw Thiri] How do you feel about the Burmese Army then?

[Moe Thee Zun] There are two fundamental sides to the Burmese Defense Services—high-ranking officers on the one side and low-ranking soldiers on the other. We can further classify the high-ranking officers into two more categories. One category consists of senior officers who are (?career officers), but who have not been given any power to act. As far as we can make out, their attitude seems to be all right. They do not want confrontation, are patriotic, and are acceptable to the people. However, Brigadier General [title as heard] Khin Nyunt [secretary-1 of the State Law and Order Restoration Council and director of Defense Services Intelligence] and his clique are merely henchmen for U Ne Win. The key person destroying the name of the Burmese Defense Services is Brig. Gen. Khin Nyunt. If the Burmese Defense Services took the initiative and removed Brig. Gen. Khin Nyunt and his clique—individuals loyal to U Ne Win and his followers, who are carrying out activities against the people—and took the people's side, history would once again look favorably on the Burmese Defense Services.

The lives of the low-ranking soldiers are, in fact, worse. They are being exploited because of their lack of education and knowledge. They have no inkling whatsoever about what is actually going on in Burma today. This is evident from the prisoners we have captured in battle. A BSPP Army corporal was captured alive during the campaign at Three Pagodas Pass. The Students Army gave him medical treatment and proper care. All of the revolutionary forces on our side fully observe POW rules. We always release them. Once, following the Mong Yang battle, we released Major Hla Myint and about 100 privates. We also released Maj. Thein Tun and about 60 soldiers who were captured during a battle in Kachin State.

Although we release prisoners, the BSPP Government usually jails them for a long time in the Mandalay military prison, and some have been reported missing. For instance, there is no trace of Maj. Hla Myint and Maj. Thein Tun today. The prisoners released by us are secretly killed because the authorities are afraid that the other soldiers might find out about the correct treatment we have given them and about the humanitarian spirit of our revolutionary forces. It is indeed a dastardly act, which clearly shows that U Ne Win and U Sein Lwin do not mind sacrificing their kind to protect their interests. Hence, the life of an officer or a soldier means living in fear of bullets that can come from either the front or the rear.

Although superficially the Burmese Defense Services appear to be very strong, there are weaknesses in their organizational structure and in the way they were conceived. The Defense Services were not built on ideology, because U Ne Win built them on the basis of personal worship, sharing wealth, and keeping the soldiers' knowledge and education limited. This being the case, if one of the factors changes—such as the loss of a certain person, the loss of personal wealth, or a change for the better in education and knowledge—it could bring about a collapse of the Defense Services. To put it in clearer terms, since U Ne Win built the Defense Services on the basis of a personality cult, they will break up once U Ne Win is no more. Troubles could also begin when the interests of individuals within the defense forces are affected. Also, since the low-ranking soldiers are being exploited because of their limited education and knowledge, changes could be brought about when these soldiers begin to see their true situation and when they begin to sympathize with and understand democratic values.

[Maw Thiri] Could you please explain your attitude toward the national ethnic groups?

[Moe Thee Zun] The ethnic nationalities are our brethren. They have lost their innate human rights. The BSPP has been practicing a major race chauvinism and oppressing the ethnic minorities. It has unjustly accused the ethnic minorities of being separatists who are trying to break up the union. This is totally untrue. They are not separatists, but merely people struggling justly to regain their lost rights. Our people must give due recognition to the fact that their revolution is just.

[Maw Thiri] I would also like to know the purpose of your current visit to India.

[Moe Thee Zun] Our purpose in visiting India was to attend the Asia-Pacific Students Seminar. Our brotherly friends and students from 15 countries were thorough in their discussions on the situation of democracy in the world. They took a profound part in deliberations on the democratic movement in Burma and helped win support for the cause. They fully supported the Burmese students' movement.

[Maw Thiri] Thank you. Now, I would like to know what the Students Army is currently doing. Can you explain?

[Moe Thee Zun] Yes, the Students Army is now engaged in organizational work within the masses. The motto of our army is: Every student must be a fighter, a healer, and a scholar. Today, the BSPP Army is engaged in a massive onslaught against our Students Army, from the northeast right down to the south. The offensives launched today are not just to gain military objectives, but to gain political and economic objectives as well. This being the case, the battles we encounter today are more inhumane and vicious. Whatever we do is for the people alone, and we want the people to know that.

The BSPP is directing its offensives at regions where our Students Army is located. Just to occupy unimportant camps and mere huts with thatched roofs and walls, they have sacrificed the lives of thousands of soldiers. Their propaganda machinery is reporting that they have been overrunning the camps, but this is merely to boast to the world. The fact is that in practice, they are facing defeat on the battlefields. Our Students Army has been brilliant on the Mawpokay, Methawaw, and Me-la battlefields. Even as I speak today, the 211th Battalion of the Students Army, together with our allies, the Karens, has been bravely standing its ground at the Kawmura camp for the past 12 months. We have succeeded to the extent of destroying the organizational structure of the enemy's 44th Infantry Regiment. We have captured over 100 weapons and a truckload of ammunition.

On 11 February 1990, two small units made up of 14 selected student soldiers from the 101st and 102d Battalions succeeded in infiltrating the inner perimeter of the captured Mon headquarters, which were strongly guarded by the enemy. The attack killed 12 enemy soldiers and wounded 15 others. On 12 February, the 209th Battalion of the Students Army and a column of KNU [Karen National Union] allies attacked the 14th Infantry Regiment stationed near Bilin. We captured many weapons and caused many enemy casualties. On 4 March, a DAB [Democratic Alliance of Burma] column made up of the 208th, 209th, and 210th Student Battalions and KNU allies, launched an attack on and overran the 113th Infantry Regiment's camp at Wan Payok near Bilin. Many enemy soldiers were killed or wounded and many weapons were captured. The 204th, 205th, and 206th Student Battalions have also been successful in carrying out organizational work in the Kya-in Seikkyi area. We have been able to open two schools and a hospital. Our Students Army also provided protection from the bullying BSPP Army during the rice harvest. The enemy has also been hurt badly in the Thanbyuzayat and Mudon areas. The Students Army has not only been protecting villagers from the threat of the BSPP Army, but has also been able to educate the people about democracy. The 203d Student Battalion has also been scoring victories and fighting courageously in the Mergui, Tavoy, and Tenasserim areas. On 26 February, the 301st and the 601st Student Battalions in the Karenni areas fought with an about 300-strong enemy force. A total of 28 enemy soldiers, including a sub-lieutenant, were killed and we captured several weapons. We have also conducted joint operations in Kachin State, where there are about 1,000 students. We have been successful to the extent of making the enemy abandon a major operation; 60 enemy trucks were destroyed and we captured five truckloads of jade in the operation.

The Students Army is armed with weapons seized from the enemy. Today, we have been successful to the extent that 3,000 of our 5,000 students have been armed with weapons gradually obtained from the enemy. The (?military strategy) of our revolution is not to control territory, but to conduct a war of attrition to erode the enemy's military strength. We also try to avoid stationary defensive warfare, except for some base areas. We mainly adopt a mobile warfare strategy based on guerrilla warfare. We will strengthen our force in this way. We do not want the people to forget that despite the many difficulties and hardships, our Students Army is continuing its struggle for democracy.

Brunei, Malaysia & Singapore

Brunei

Two Leaders of Outlawed Political Party Freed

BK0304102490 Hong Kong AFP in English 0930 GMT 3 Apr 90

[Text] Kuala Lumpur, April 3 (AFP)—Brunei has freed two political detainees, virtually emptying a detention camp that once housed some of the world's longest-held prisoners of conscience, official and dissident sources said Tuesday [3 April]. Brunei Home Affairs Ministry permanent secretary Omar Serudin said that the two top officials of the Brunei National Democratic Party (BNDP) outlawed two years ago were freed from the Jerudong camp in mid-March.

Abdul Latif Chuchu and Abdul Latif Hamid campaigned for political reform in tiny, oil-rich Brunei, one of Southeast Asia's remaining autocratic states where Sultan Hassanal Bolkiah is also prime minister, before their arrest in January 1988. Their release came less than three months after Sultan Hassanal freed six other political prisoners, four of whom had spent some 27 years in detention for their part in an abortive rebellion crushed by British troops in 1962.

Mr. Latif Chuchu said that he believed there were only three or four detainees left at the Jerudong camp near

Bandar Seri Begawan, the Brunei capital. "I think they are people once involved with the Parti Rakyat (Brunei People's Party) who returned home recently," he said.

The Parti Rakyat spearheaded a 1962 revolt by some 4,000 rebels in a bid to overthrow Sultan Hassanal's father, Sultan Omar Ali Saifuddien, the ruler of Brunei, a then British protectorate. The Parti Rakyat leaders, including Azahari Mahmud, now living in exile in Indonesia, launched the revolt after Sultan Omar postponed the first meeting of the newly-elected state legislative council after the party had swept the polls in Brunei's first elections.

Mr. Latif Chuchu's BNDP was the first political party formed in Brunei after the revolt. "Latif Hamid and I were given conditional releases," he told AGENCE FRANCE-PRESSE in a telephone interview from Bandar Seri Begawan. "We have to stay indoors between 10 P.M. and 6 A.M. and we cannot engage in any kind of political activity for a year. We cannot leave our districts or Brunei without prior police permission," he said.

Mr. Latif Chuchu was secretary-general of the BNDP formed in September 1985 while Mr. Latif Hamid was the party's president. The BNDP was deregistered on January 27, 1988, four days before its two top officials were arrested. "I have no idea why the BNDP was deregistered. I was only told that I was being detained for forging foreign political links by attending a meeting of the Pacific Democratic Union (PDU) in Fiji in May 1987," Mr. Latif Chuchu said.

The PDU is the regional arm of the International Democratic Union whose members include Japan's Liberal Democratic Party and Britain's Conservative Party, Mr. Latif Chuchu said. Mr. Latif Chuchu had announced plans to take the BNDP's case for political reform to the United Nations before his arrest.

The party had said it wanted Sultan Hassanal to lift the state of emergency in force since the 1962 rebellion and restore a constitution drafted in 1959 providing for free elections.

"We were treated well at all times during our detention," Mr. Latif Hamid said, adding that both he and Mr. Latif Chuchu were allowed monthly visits by their families six months into their detentions. Both men took oaths of allegiance to Sultan Hassanal before they were freed. "We had no problems with that because the BNDP had always pledged loyalty to his majesty," Mr. Latif Hamid said.

He said that neither he nor Mr. Latif Chuchu had immediate plans to revive the BNDP. "We will first have to get permission from the police before we do anything," Mr. Latif Hamid said.

Malaysia

Army Chief Declines Namibian Request for Troops

BK0404083290 Kuala Lumpur BERNAMA in English 0746 GMT 4 Apr 90

[Text] Kuala Lumpur, April 4 (BERNAMA)—Malaysia has decided not to take up a request by Namibia to station its troops there because the newly-independent African state wanted the Malaysian forces to play a combat role. "They want us to maintain security ... This is a role which we cannot accept," Army Chief Gen. [General] Yaacob Mohamed Zain said Wednesday.

On March 31, the army aborted its plan to send a further 135 military personnel to Namibia after a Malaysian negotiating team which was in the south-western African state advised the government against sending the troops.

Yaacob said the army is only willing to play a non-combat role by imparting its expertise and training Namibian security forces. It could not accept a combat role because Malaysia and Namibia did not have an agreement which would allow such an arrangement, he said.

He said Malaysian troops sent here would need to be a complete army unit and also the vast distance between the two countries would make it difficult to send help if there was an emergency. He added, however, the government might consider if the Namibian Government makes another request for Malaysian troops to play a non-combat role.

Malaysia sent an army battalion to participate in the United Nations Transition Assistance Group (UNTAG) to monitor the security situation in the run-up to Namibia's independence last month. The troops, stationed there for one year, returned home yesterday.

Cambodia

Government Troops Reportedly Seize Thmar Puok

Resistance Spokesman Comments

BK0404091290 Hong Kong AFP in English 0906 GMT 4 Apr 90

[Text] Bangkok, April 4 (AFP)—Forces of the Vietnam-installed Cambodian Government have seized control of a major stronghold belonging to non-communist anti-Phnom Penh guerrillas in northern Cambodia, a guerrilla spokesman said Wednesday [4 April]. Government troops overran Thmar Puok, located some 18 kilometers (11 miles) away from Thailand's border, Tuesday, Sopheak Ok Serei, a spokesman for the Khmer People's National Liberation Front (KPNLF) said. Thmar Puok had been defended by a combined force of the KPNLF and the Sihanoukist National Army (ANS) of Cambodia's former monarch Prince Norodom Sihanouk, Mr. Sopheak said. The KPNLF and the ANS are joined in an anti-Phnom Penh coalition with the Chinese-backed Khmer Rouge, the military backbone of the alliance.

Western diplomats said casualties at Thmar Puok were not believed to be high as the defenders, numbering a few hundred, had fallen back and withdrawn following powerful artillery barrages by Phnom Penh forces. Defeats suffered by the non-Communist guerrilla forces were the result of the government's superiority in firepower thanks to its artillery and Soviet-made battle tanks, they said. The diplomats said that in contrast the guerrillas were short of ammunition for artillery pieces. "So much for holding territory. They're in a fairly bad way," one diplomat commented.

Phnom Penh Radio Reports

BK0404135490 Phnom Penh Domestic Service in Cambodian 1300 GMT 4 Apr 90

["Report on frontline success"]

[Text] According to frontline news sources, the three categories of our Armed Forces assigned to defend Banteay Meanchey Province, with the close cooperation of our people, completely recaptured Thmar Puok District at 1008 [0308 GMT] this morning, and are firmly occupying it. This moving news of success has filled our people with great joy, especially those who have escaped from the cruel occupation of the enemy. Besides expressing their thanks, they voiced admiration at the courage and heroism of the cadres and combatants of our Armed Forces together with the heroic people who took part in crushing the three enemy groups on this battlefield. This success once again more clearly shows the position of strength and victory of our forces and the deterioration of the enemy side in terms of both manpower and materiel. Their adventurous dreams are facing an impasse as they are plunging into the abyss of despair because of such serious, repeated setbacks. The field command will later on inform the public of the details of the operation.

Phnom Penh Reports Success in Banteay Meanchey

BK0404115690 Phnom Penh Domestic Service in Cambodian 1100 GMT 4 Apr 90

["News about the success of our people's Armed Forces in Banteay Meanchey Province"]

[Text] According to news sources in the Propaganda and Education Department of the Cambodian People's Armed Forces [CPAF] General Political Department, the three groups hostile to our State of Cambodia, despite serious and repeated setbacks, have continued to make adventurous attempts to sneak into a number of remote regions near the Cambodian-Thai border with the intention of stealing and looting our people's property and rice. However, all their sabotage activities have met with timely and highly effective counterattacks by our CPAF.

As a matter of fact, on 3 April 1990, when the three groups of enemy forces were looting our people's property and rice in Thmei, Kap Chao, Kouk Romiet, and Sre L'ar Villages [around Thmar Puok], our regular forces, regional forces, policemen, and militiamen in Banteay Meanchey Province who enjoyed the cooperation as well as material and moral support of our cadres, combatants, and people in all offices and units throughout the country, especially that of the local authorities and population, launched a powerful sweeping operation against the three groups of enemies, inflicting a most shameful defeat on them. According to a still incomplete initial report, we killed or wounded a number of enemy soldiers and seized dozens of metric tons of assorted weapons and ammunitions. This result more clearly shows the position of strength and battlefield control of our people's Armed Forces, especially of those in the Banteay Meanchey Province, who are determined to protect all social gains of the nation and ensure a peaceful existence for our people.

Say Chhum Chairs Agriculture Ministry Session

BK0304063890 Phnom Penh Domestic Service in Cambodian 0430 GMT 3 Apr 90

[Text] The two-day working session of the Agriculture Ministry to review the outcome of 1989 work and set targets for implementation in 1990 concluded on 27 March under the chairmanship of Comrade Say Chhum, member of the party Central Committee Political Bureau, vice chairman of the Council of Ministers, and agriculture minister. During the session, participants attentively examined, discussed, and exchanged views on the agricultural situation from 1979 to 1989 and set targets for the 1990 tasks and for implementing the second socioeconomic restoration and development program beginning in 1991.

Comrade Say Chhum also set the 1990 work targets for provincial and municipal units to implement in line with the first five-year socioeconomic restoration and development plan 1986 to 1990. He said that 1990 is the last year in the implementation of the first socioeconomic restoration and development program and the year to decide the level of our capabilities to advance toward realizing the targets of the second socioeconomic restoration and development plan. Before closing the session, the comrade agriculture minister conferred the Council of Ministers' laurel banners, citation banners, and citation letters on various departments, provinces, and cities for their outstanding achievements in agricultural production and exploitation. The Council of Ministers' revolving banners were also given to Takeo, Battambang, and Stung Treng Provinces.

UNDP Communications Delegation Arrives

BK0304123490 Phnom Penh SPK in English 1103 GMT 3 Apr 90

[Text] Phnom Penh SPK April 3—A delegation of the United Nations Development Program [UNDP] led by

Winston Pratley has arrived in Phnom Penh to examine the network of communications and telecommunications of the State of Cambodia.

During its stay here, the delegation has had talks with the Cambodian authorities headed by Hor Nam Hong, cabinet minister.

It has toured a number of provinces for inspecting the telecommunications and communications network.

SRV's 'Secret Circular' on UN Team Reported

BK0404025490 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 3 Apr 90

[Text] According to sources close to puppet ringleaders Hun Sen and Heng Samrin, who are Vietnamese lackeys, recently the aggressor Vietnamese commander issued a circular instructing Vietnamese experts in various localities who are commanding and leading the fight against our national resistance forces to meet in Ho Chi Minh city. However, upon hearing that a UN technical team is on a fact-finding trip in Cambodia, this Vietnamese commander canceled the meeting. At the same time, he issued a special secret circular instructing all Vietnamese units hidden in Cambodia, aggressor Vietnamese troops in puppet soldiers' uniforms hidden in puppet army units, and all Vietnamese experts to be very careful by not moving about in public in order to avoid being seen by the UN technical team. Any unit or individual who does not follow this secret circular will be severely punished.

VONADK on SRV Command in Kompong Thom

BK0404033990 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 3 Apr 90

[Text] According to Cambodian people and soldiers in Kompong Thom Province, the Vietnamese enemy aggressors have set up another Vietnamese combat command in Kompong Thom provincial seat. The command is called the Defense Ministry's fifth research office in Kompong Thom Province. In fact, this is the Vietnamese command for guiding the combat and assessing the military situation in Kompong Thom Province.

The Vietnamese command is headed by a Vietnamese military region commander named (Bah Bang) from north Vietnam. According to a report, since his arrival in Kompong Thom Province, the Vietnamese commander has made all-out efforts in combat command. He has mobilized the Ngo-51 Vietnamese intervention regiment, Vietnamese regular units in Kompong Thom Province, and puppet army's district, provincial, and even regular units to withstand our resistance forces' advance. However, these efforts were unsuccessful. On the contrary, the Vietnamese forces were smashed and inflicted with heavy casualties by our Cambodian national resistance forces. Moreover, Cambodian soldiers and militiamen have refused to fight and kept deserting the Vietnamese rank. Because of this, the Vietnamese enemy forces on the battlefield were in confusion while our national resistance forces kept attacking and inflicting heavy losses on them.

VONADK on SRV Troops Routed in Sisophon

BK0304041890 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 2 Apr 90

[Text] Between 26 and 29 March, the Vietnamese enemies and their puppets sent three regiments of their troops escorted by 12 tanks and caterpillars to resist us in Sisophon District [Battambang Province]. The troops came out in five columns—the first from Ampil Pram Daeum to (Sras Toek Daoh Svay Khtih) and Boeng Kandal; the second from Chamnaom to Say Saman; the third from Samraong commune to Kbal Khmaoch; the fourth from Thminh Trei to Ta Kong; and the fifth from Kop Toch to O Ravieng Hai. As soon as they popped out, the five columns were attacked and routed by our national resistance forces. They were forced to turn back in disarray. We killed 25 enemy forces, wounded 25 others, and destroyed a tank, a caterpillar, and a quantity of weapons, ammunition, and war materiel.

Laos

Oudom Khatthi-gna Interviewed on Party Role

BK0404111590 Vientiane Domestic Service in Lao 0500 GMT 2 Apr 90

[Interview with Oudom Khatthi-gna, alternate Political Bureau member and secretary of Lao People's Revolutionary Party Central Committee and head of Central Organizing Committee, by PASASON correspondent on the 35th anniversary of the party—read by announcer. Date of interview not given.]

[Text] [Correspondent] What are the party's leadership roles in the past and the present? What are their significance at each stage?

[Oudom Khatthi-gna] As everyone knows, the Lao People's Revolutionary Party [LPRP] has always had significant roles in the Lao revolution. It is the LPRP which has organized and led all victories of the Lao revolution. The party had led the multiethnic people in its struggle against the aggression of the old neocolonialist imperialists. This is to liberate themselves from being slaves to the imperialists and reactionary feudalists and to gain independence, freedom, and social progress, the struggle which led to the establishment of the Lao People's Democratic Republic [LPDR] on 2 December 1975. Through each step of our country's revolution development, we have come to understand the significance of the party's leadership role which has served as a decisive factor. It is clearly noted in our history that the LPRP has been loyal to the country and the Lao people, and has responded quickly to changing situations. The LPRP has maintained a correct strategy, and its brisk and sensitive tactics has led our country's revolution to overcome all obstacles and continually march forward.

[Correspondent] What is the appropriate attitude for our party to maintain to serve the interest of domestic and international causes of revolution in the light of the changing world situation?

[Oudom Khatthi-gna] As you know, the world situation is changing in accordance with the common trends of peaceful coexistence, settlement of problems through talks, and maintenance of economic cooperation on the basis of the principles of equality and mutual benefits. In various socialist countries in Eastern Europe, the renovation situation is changing quickly and very complicatedly. Our party maintains as appropriate and equitable the renovation in the economic, political, and organizational fields in those countries, because their purpose is to seek ways to free themselves from backwardness and to enter a new stage. Those countries have different specific points. They, therefore, have pursued different methods of carrying out the renovation. Our country's specific points are different from theirs, and it therefore has followed different forms, methods, and steps in carrying out the renovation.

[Correspondent] What is the level of development and new changes in the ideology of cadres and party members, and how is the exercise to raise the level of their understanding in all fields?

[Oudom Khatti-gna] Since the implementation of the resolution of the fourth party congress, we have paid close attention to educating and training cadres and party members in politics and ideology and helping them raise their knowledge of new concepts in all fields, in particular those in theory, economy, and organization. We have educated and trained them on our party's restructuring line, concretized in the fifth, sixth, seventh, and eighth resolutions. On this basis, the entire party has reached a high level of unanimity with the Party Central Committee. Cadres and party members have changed their line of thinking, turned to new concepts and have begun to put them into practice. At present, the contingent of cadres and party members are experimenting switching to the new mechanism. To guarantee the firm, complete, and vigorous steps of advance in restructuring, our party has also energetically paid attention to raising the level of cadres and party members in all respects. It has arranged home-study, field trips or courses abroad for them. At present, the number of cadres and party members with, for example, a university level of understanding has increased. Nevertheless, compared to the requirements in the new stage of revolution, it is still a weak point that must be tackled and raised further.

Delegation Leaves for Conference in Cyprus

BK0104125590 Vientiane Domestic Service in Lao 1200 GMT 29 Mar 90

[Text] A delegation of the parliamentary committee of the Lao People's Democratic Republic headed by Chaleun Yiapaoheu, chairman of the committee [words indistinct] left Vientiane capital on the afternoon of 28 March to attend the 83d conference of the Interparliamentary Union scheduled to take place in Nicosia, Cyprus, from 2 to 7 April. Delegations from over 100 countries will participate in the conference, during which narcotics suppression, unemployment problems, application of new technology, and social justice issues will be raised for discussion. This is the first delegation from Laos to attend the conference since the liberation of the country 14 years ago [words indistinct].

Philippines

Spokesman Responds to U.S. Statement on Magleo

HK0304132990 Quezon City Sports Radio 738 in English 1100 GMT 3 Apr 90

[Italicized portions in Tagalog]

[Text] Press Secretary Tomas Gomez III today gave his reaction to the latest statement issued by the American embassy on Magleo. Gomez branded Magleo as a fake colonel. However, he did not discount the possibility that the American national could be a CIA agent or one of those ploys of former First Lady Imelda Marcos.

[Begin Gomez recording] I am not discounting that, but on the other hand, *look at the background of that man.* If that is indeed his fulltime employment, *it is a bit unbelievable. Based on my experience, it is easier to believe that he is a crook,* taking advantage of a situation. *You should remember that he came here apparently to sell arms. That is not the way CIA and DIA operate.* [end recording]

Communist Threat May Affect Japanese Aid

OW0404082790 Tokyo KYODO in English 0417 GMT 4 Apr 90

[Text] Manila, April 4 KYODO—The Japanese Embassy here said Wednesday communist guerrilla threats against Japanese aid projects may force Japan to scale down aid related activities in the country.

"If the New People's Army (NPA) really makes good their threat to attack Japanese aid projects or aid experts, we are somewhat compelled to reduce our aid activities because it is physically dangerous," Takeshi Yagi, first secretary of the embassy, told KYODO NEWS SERVICE in an interview.

However, the diplomat, who is in charge of economic affairs, said the threat might affect implementation of past aid commitments more than future ones. Reduction of Japan's future commitment to the Multilateral Assistance Program (MAI) launched in Tokyo last year "is an assumption which is perhaps a little too much at this stage," he added.

Tokyo is Manila's biggest aid donor and creditor. In the MAI alone, Japan contributed 1 billion dollars out of the total 3.5 billion dollars pledged to the Philippines by various donor countries and multilateral agencies during last June's pledging MAI in Japan.

Yagi said Japan's basic policy of supporting Philippine democracy and development remains unchanged in spite of the threats. At present, he said aid implementation will continue as scheduled pending any communist rebel attack.

The communist-led NPA warned the Japanese Government Sunday against using official development assistance (ODA) projects for counterinsurgency. NPA Chief of Staff Romulo Kintanar said in answer to written questions submitted by news agencies that "information" has reached the NPA that Japanese ODA projects were being used for counterinsurgency, were polluting the environment, and denying arable land to farmers.

Seven technicians of the Japan International Cooperation Agency (JICA) working in three agricultural projects in the cental Philippine province of Bohol, 630 kilometers south of Manila, were withdrawn last year due to threats from local communist rebels.

The rebels were also demanding "revolutionary taxes" amounting to 710,000 pesos (33,888 dollars).

AFP Spokesman Belittles Threat

HK0204073190 Manila Radio Veritas in Tagalog 0700 GMT 2 Apr 90

[Text] Armed Forces of the Philippines [AFP] spokesman Colonel Juanito Rimando belitted the New People's Army [NPA] threat to attack U.S. and Japanese nationals supporting the Aquino government. NPA chief Romulo Kintanar earlier said that financial aid from Japan and the United States are used in the counterinsurgency operations. In an interview with Radio Veritas News, Rimando stated that this could be part of the NPA propaganda to cover up the fact that their forces are weakening, particularly this year.

$3.5 Billion Sought at September Aid-Pledging

HK0404131790 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 4 Apr 90

[Italicized portion in English]

[Text] The Philippines may expect to raise $3.5 billion at the second pledging session to be held in Washington DC in September. This was reported by Philippine Aid Plan Chairman Roberto Villanueva. The pledging session will coincide with the annual IMF-World Bank conference.

However, Villanueva admitted that aid from donor countries may be reduced owing to events in Eastern Europe.

[Begin Villanueva recording] *There are difficulties in this effort because of the demands or needs of the newly restored democracies in Eastern Europe and in Central America. But we are still hoping that we can maintain the level of pledges that we obtained in Tokyo.* [end recording]

Government Adopts Tougher Stance on Refugees

HK0204132590 Manila THE MANILA CHRONICLE in English 2 Apr 90 p 6

[By staff member Chay Florentino]

[Text] The Philippines is adopting a more hardline position on the issue of Vietnamese refugees by saying it is unprepared to accept those who intend to stay here indefinitely and that it would be ready to bring the matter to the International Conference on Indochinese Refugees (ICIR).

Director General for Asian-Pacific Affairs Romualdo Ong said, "We have our own substantial economic problems here and despite these problems, we are trying our best to accommodate asylum seekers, at least on a temporary basis...because we are not prepared to accept residuals here indefinitely."

The issue of Vietnamese refugees, a concern among countries in the region because of the potential threat it poses to security, was among the topics raised during the recently concluded RP [Republic of the Philippines]-Vietnam bilateral consultations.

Ong said the Philippine panel expressed the hope to their Vietnamese counter-party that "the number of refugees would be decreased." There are about 16,000 refugee [at the] processing center in Morong, Bataan and another 3,000 at the first asylum camp in Palawan.

The Vietnamese panel, led by Director General Nguyen Tam Chien, said they are trying their best to implement an orderly departure program, but admitted difficulty in controlling the outflow of asylum seekers because of a "very long coastline and limited resources."

The Philippines is left with no choice but to send back Vietnamese asylum seekers who are not qualified for refugee status because the Government does not know what to do with them unless another third country accepts them, Ong said. He added, "They should not be left with us."

The Philippines, in keeping with humanitarian concerns on the plight of refugees and asylum seekers, has agreed to expand the facilities at Morong. The United States, United Kingdom and Japan have been asked to contribute $17.8 million for infrastructure projects and another $5 million for maintenance costs.

Foreign Secretary Raul Manglapus, in a statement before the ICIR in Geneva June last year, said the Government's consent to host an expanded regional resettlement center was based on four conditions.

These included a guarantee by resettlement countries that the center would be cleared within three years under the terms of the resettlement program; an agreement from Vietnam to host a counterpart regional holding center for the "screened outs"; an agreement between the Philippines, the UN High Commissioner for Refugees (UNHCR), and the resettlement countries on the maximum number of refugees to be accommodated at the center; and an assurance that the center would not cost the Philippine Government anything.

Vietnam has agreed to accept "voluntary returnees" but is against adopting a program for refugees who do not wish to come back. The Vietnamese panel, according to Ong, cited human rights and freedom of choice as reasons for their refusal to accept those not qualified for refugee status.

Foreign office legal adviser Jorge Coquia had proposed that asylum seekers who are screened out be given six months for voluntary repatriation. At the end of the six-month period, those who do not wish to return to Vietnam should be removed from the Philippines and transferred elsewhere. No asylum seeker should be allowed to stay in the Philippines for more than two years from the time of arrival, Coquia said.

Paper Criticizes Local Intelligence Operations

HK0304040390 Manila PHILIPPINES NEWSDAY in English 3 Apr 90 p 10

[Editorial: "Intelligence Operations"]

[Text] The perception is gaining ground that the government is running around like a headless chicken on the matter of one Harold Maglio, reportedly an American colonel connected with the U.S. Defense Intelligence Agency (DIA) who has been mentioned by Brig. Gen. Alejandro Galido in his now controversial affidavit "implicating" certain people to the failed December 1989 coup.

The United States embassy was quick to deny any connection, with Magleo and professed no knowledge of his existence, a disclaimer that Malacanang and military officials have just as quickly accepted at face value.

The senators do not seem to be as ready to lend belief to these claims. Senator Teofisto Guingona, floor leader of the ruling coalition in the Upper Chamber, has called on the U.S. government to reveal Magleo's identity.

On the other hand, Armed Forces Chief of Staff Gen. Renato de Villa has reported that the U.S. Federal Bureau of Investigation (FBI) has been placed on the case to assist the U.S. embassy in Manila and the military in establishing the identity of the mysterious Magleo.

As if all this were not enough, the Department of Foreign Affairs (DFA) has come into the picture with an offer to probe Magleo's identity.

All this great to-do would not have been necessary if the government had called in and listened to a congressman who has had extensive experience in the military intelligence service. The man is Rep. Bonifacio Gillego (Ind., Sorsogon) who yesterday told the forum Kapihan sa Manila [Manila Coffee Forum] some sensible things about intelligence services.

One basic fact, said Mr. Gillego, is that if Magleo indeed exists, no agency will now own him, since his cover has been blown, meaning, he has been exposed.

He also told the Kapihan audience that the Central Intelligence Agency (CIA) budget for Philippine operations had been increased by 10 percent when the Aquino administration started; that it has at least one front organization here that supports political parties, teachers' organizations, student groups, and labor and farmers' organizations. He opined, because it is standard operating procedure, that American intelligence may have "assets" (read agents) inside all the factions in the military whether pro-rebel or pro-Aquino. He said that these things should not alarm us, because infiltration and penetration are intrinsic to intelligence operations.

Mr. Gillego did not say it in so many words but he inferred that the antidote to intelligence operations here of foreign agencies is not the public hemming and hawing of government officials but an efficient and effective Philippine intelligence service. Unfortunately, Mr. Gillego's judgment of our military leadership and its intelligence operations is that they are "weak and indecisive."

Aquino, Cabinet Approve Economic Program

HK0204125190 Manila PHILIPPINE DAILY GLOBE in English 1 Apr 90 p 2

[Text] President Aquino and her Cabinet have expressed no opposition to a five-point program the country's economic planners will undertake for the remaining two years of the present administration, Finance Secretary Jesus Estanislao said yesterday.

Estanislao also briefed members of both chambers of Congress on other economic strategies, including the imposition of new taxes to help close a projected P17.5 billion deficit this year and improvement of tax collection efforts by the revenue agencies.

Estanislao said the five-point program would cover these aims:

—An economic growth rate of 6 percent, despite the effects of the December coup attempt.
—Review of monetary policy to curb inflation. Estanislao said the review will take into account the high interest rates plaguing the banking system, which he predicted "will not stay very long."
—Encourage more private sector investment to provide additional revenues for the government.
—Retention of the present foreign debt policy "which has yielded very good results." The government has adopted a policy of buying back a portion of its debt as

well as seeking new money to finance projects aimed at reducing the country's financial obligations.
—Make good use of foreign aid.

Estanislao said his department stressed to the congressmen the need to pass the pending tax laws to ensure balanced and faster economic growth.

Congress, for its part, must pass the tax bills as well as the Energy Standby Fund as these are vital in lessening the budgetary deficit.

Senate Approves Oil Price Standby Fund

HK0304094790 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 3 Apr 90

[By Cesar Chavez—italicized portion in English]

[Text] The Senate has approved, in its third and final reading, the five-billion-peso oil price standby fund, but imposed many restrictions on oil companies regarding the use of the fund. The restrictions, which were earlier agreed upon in a caucus requested by Senator Alberto Romulo, were contained in an amendment approved by the senators.

[Begin Romulo recording] *First of all, there is no automatic release to the oil companies. Secondly, no releases will be made except on two grounds: that the oil price increase is due to foreign exchange rate's upward fluctuation, and or, the world price of crude oil has increased. Third, we have provided that as long as there are collectibles due and demandable by the government from the oil companies, that they should first be offset with any claims.* [end recording]

According to Romulo, his amendment will ensure that the oil price standby fund will be used appropriately and will prevent oil companies from offsetting their losses through the fund.

In the voting session, Senators Wigberto Tanada, John Osmena, and Ernesto Maceda opposed the oil standby fund approval.

Aquino Welcomes Improvement of Land Reform Law

HK0304133590 Quezon City Sports Radio 738 in English 1100 GMT 3 Apr 90

[Text] President Aquino today said that she welcomes any move to improve the Comprehensive Agrarian Reform Law [CARL] so long as it can provide an authentic agrarian reform program. The president made the statement in response to a proposal of her younger brother, Congressman Peping Cojuangco, to immediately amend the law.

Cojuangco proposed that the law be amended to allow provinces or congressional districts to determine for themselves how the program could be implemented in their localities. The president said the people are expecting determined implementation of the law, and therefore, any concerns to make it more realistic in terms of implementation should be supported.

Meantime, Senator Heherson Alvarez said he will oppose a proposal in the House of Representatives to amend the Comprehensive Agrarian Reform Program [CARP]. Alvarez is the chairman of the Senate committee on agrarian reform.

Jojo Ismael reports.

[Begin recording] [Ismael] Senator Alvarez said that once Congress amends the Comprehensive Agrarian Reform Law, all the other interest groups will start to come in and debates on these amendments will be endless. And that is detrimental to the sincere implementation of the CARP which is the centerpiece of the Aquino government, the senator emphasized.

Earlier, at the House of Representatives, Tarlac Congressman Jose Cojuangco Jr., younger brother of President Aquino, proposed that Congress amend the CARP in a manner that the provincial agrarian reform council is empowered to implement its own version of the centerpiece program. For his part, Alvarez said the Cojuangco proposal would add injury to the already delayed implementation of the CARP.

[Alvarez] If each province is empowered to make amendments, this program will never be completed because we have 72 provinces plus the national capital region. But if we are going to bring down the authority to provincial implementation so we can have decentralization, what are we going to do? It is already impossible under the present law, and the structure of the agrarian reform program will be to beef up the individual provincial centers. [end recording]

Bishops Criticize LDP's Rejection of Abad

HK0304041590 Manila PHILIPPINES NEWSDAY in English 3 Apr 90 pp 1, 2

[By Ros Manlangit, Rose de la Cruz, and Jose Macaspac III]

[Excerpts] The country's Catholic bishops yesterday criticized ruling party politicians for rejecting Florencio Abad, President Aquino's nominee for secretry of agrarian reform. In their statement, the influential Catholic Bishops Conference of the Philippines (CBCP) singled out the Laban ng Demokratikong Phlipino [Struggle of Philippine Democrats] (LDP) for censure, saying that the dominant party "has shown itself to be a major stumbling block to genuine agrarian reform."

President Aquino, meanwhile, issued a last-minute appeal to the LDP congressmen in the Commission on Appointments [CA] to confirm Abad on Wednesday's make-or-break session for the sake of the nation.

In a brief statement, the President also reiterated her unflagging support for Abad, debunking a report by a daily (not NEWSDAY) that she was abandoning him in the face of strong opposition from the LDP, which accuses the former representative from Batanes as being "too pro-farmer."

"I continue to support Abad as secretary of agrarian reform. While the LDP has informed me of its stand against his confirmation, I am counting on the membrs of the CA to vote on the basis of the interests of the nation as a whole, rather than out of partisan affiliations. It is on this basis that I submit Secretary Abad's appointment to their judgment on Wednesday," Mrs. Aquino said in a press statement read to newsmen by Press Secretary Tomas Gomez III.

Abad's confirmation has been stalled at the CA seven times, four of which at the instance of House LDP members in the CA.

Abad himself yesterday told reporters after emerging from a one-on-one meeting with Mrs. Aquino at the Malacanang Guesthouse that he saw no indication that Mrs. Aquino will abandon him. He also accused his detractors, mainly the LDP camp, of foisting on the public an image of him as an "anti-industrialist" and a "communist." "I have become controversial, and this controversy was generated by them. They have called me all sorts of things," he said. Abad was a Liberal Party [LP] congressmen until he was named last January to the top agrarian post.

In their statement, the bishops branded the LDP a "tribe of misguided men." "We are sure many of our Catholic faithful who are truly concerned with social justice will not easily forget the insensitivity of the LDP and its men in the CA to the cause of social justice and peace," the statement said. "We cannot pray for the increase in the tribe of such misguided men."

The bishops said they had hoped that the Comprehensive Agrarian Reform Law (CARL), "imperfect thought it was, would be a significant step forward in achieving a just redistribution of wealth in our country."

"But we ... wish to express our great disappointment with the LDP, which, by blocking Secretary Florencio Abad's confirmation ... has shown itself to be a major stumbling block to genuine agrarian reform."

The statement was signed by Archbishop Orlando Quevedo, chairman of the Episcopal Commission on Social Action, Bishop Francisco Claver, chairman of the National Secretariat for Social Action, and Bishop Teodoro Bacani, chairman of the Permanent Committee on Public Affairs. The church bodies are under the CBCP, the highest Catholic governing council of the nation.

The bishops described Abad as "truly pro-farmer, committed to agrarian reform." "We do not see any patriotic motivation in the LDP and their members in the Commission on Appointments who refuse to vote for Secretary Abad's confirmation," the bishops said.

Mrs. Aquino's new statement expressing confidence in Abad immediately fueled speculations in Palace circles that she could be crafting a political maneuver to prevent an open break between the LP and the LDP and at the same time ensure Abad's nomination. [passage omitted]

Malacanang appeared cautious over reports that LP Salonga has criticized the Aquino administration on the issue of corruption in a speech the other day before a big LP gathering in Bulacan. Gomez said as a matter of policy, Malacanang cannot respond to Salonga's reported references to graft cases in the Aquino administration unless there are specific charges.

Reports said Salonga had asserted that he had documents to show the involvement of people close to Mrs. Aquino in the P[pesos]65-million Garchitorena land scam which led to the ouster of Philip Ella Juico from the DAR [Department of Agrarian Reform] post early last year. Salonga, the reports added, also asserted that among the documented cases of corruption involved the sequestration of some firms by the Presidential Commission on Good Government [PCGG] while he was still PCGG head.

Salonga supporters at the PCGG yesterday supported his claims and pointed to the case of a private bank formerly controlled by a Marcos associate which is now under the control of an LDP official.

Although the LDP is pro-Aquino, its members in the commission have blocked Abad's appointment because they claim he is biased against landlords and industrial development. "The President reaffirmed her confidence in Abad and we of the LDP reaffirmed our own positions," House Speaker Ramon Mitra told reporters after Sunday's meeting with Mrs. Aquino. "We have supported the President 100 percent and we will continue to support her. Our opposition to the confirmation of Abad is because we want her to succeed."

During her weekly radio broadcast Sunday, Mrs. Aquino said legislators told her Abad was too controvesial and that his appointment would endanger the agrarian reform program by building hostility among landlords.

She said she would meet with Abad Wednesday, when the next commission hearing is scheduled.

Field for 1992 Presidential Race Grows

Former Secretary Candidacy

HK0204131990 Manila THE MANILA CHRONICLE in English 2 Apr 90 p 3

[By Carlos Marquez Jr]

[Text] Cabanatuan—Former Agrarian Reform secretary Miriam Defensor-Santiago yesterday vowed to "prosecute and imprison all corrupt Government officials" once she is elected President in 1992. Her statements serve as her official declaration to run for the country's top executive post, although she did not mention with which political party she would run and who would be her running mate.

In a mini-press conference after speaking before graduates of the Weslayan University-Philippines here, Santiago also expressed bitterness over her instant and almost unannounced removal from DAR [Department of Agrarian Reform] immediately after the December coup. She had been linked to rebel soldiers in the December 1989 coup, which was believed to be the reason for her ouster from office.

She also said the NDC [National Development Corporation]-Marubeni controversy was an example of how the Aquino administration acts on ad hoc basis and without a specific master plan, particularly as to its land use policy.

Social Democratic Party Joins Race

HK0204133590 Manila THE MANILA CHRONICLE in English 1 Apr 90 p 6

[By correspondent Julie Javellana]

[Text] The Partido Demokratiko Sosyalista ng Pilipinas [Philippine Socialist Democratic Party] (PDSP) formally joined the 1992 electoral race after the Commission on Elections [Comelec] recognized their status as a political party last March 26. PDSP Chairman Norberto Gonzales revealed they would join the 1992 presidential race but said the 300,000 party members all over the country have yet to decide the candidate they would field. Gonzales said the candidate would be "a well known personality who has been very close to the party," and possibly a prominent senator.

Gonzales said their campaign will begin on May 1 right after the party's national congress. The campaign will be conducted sector by sector and province-to-province consultations to be able to evolve a platform that has the sympathy of both the candidate and the workers.

The Comelec's approval of their petition field last March 16 acknowledges that the party is actively organized in different parts of the country, PDSP general secretary Luz Almazan said. She said that the party has regional branches in Northern Luzon, Rizal, Southern Tagalog, Bicol, Western Visayas, Southeastern Mindanao, Northcentral Mindanao and Northeastern Mindanao. Almazan added that branches have also been started in Central Luzon and Central Visayas. The PDSP has members in five of the country's labor centers, Lakas ng Manggagawa [workers' strength] Labor Center (LMLC), the Trade Union Congress of the Philippines (TUCP) and the Federation of Free Workers (FFW). At the same time, PDSP has a partnership agreement with three peasant organizations, two student unions and a women's group.

It aims to be the party of the country's toiling masses," according to Gonzales. The PDSP advocates a multiparty, multi-power center political system, governance through consultation and an economic system that fosters balanced development, ensures equitable distribution of income and democratization of the control of the country's basic means of production and exchange.

Survey Shows Frontrunners for 1992 Election

HK0204131390 Quezon City MALAYA in English 1 Apr 90 pp 1, 6

[Text] If a snap presidential election were held today in Metro Manila, President Aquino would trounce all candidates, including former Agrarian Reform Secretary Miriam Defensor Santiago, her arch-enemies Senate Minority Floor Leader Juan Ponce Enrile, (NP) [Nationalist Party] and Vice President Salvador Laurel, in Metro Manila "without a sweat," Vox Populi, a research firm, said yesterday.

Amancio Sarmiento, President of Vox Populi, said a survey conducted among 975 Metro Manila voters during the first week of February showed, however, that if elections were held in 1992, the outcome would depend largely "on how her (Mrs Aquino's) performance in the following months as President is perceived by the electorate."

Respondents gave President Aquino a wide margin of 44.5 percent; Santiago came second with 15.96 percent; and Sen. Joseph Estrada of the Liberal Party [LP] was third with 14.88 percent. Senate President Jovito Salonga, LP chief, got 7.44 percent; Defense Secretary Fidel Ramos, 5.4 percent; Enrile, secretary-general of the Nacionalista Party [NP], 3.6 percent. Imedlda Marcos, despite all the negative publicities, still managed a 3.36 percent; Sen. Ernesto Maceda, LP vice president, 2.04 percent; Vice president Salvador Laurel, NP bresident, 1.92 percent; and Speaker Ramon Mitra of the ruling LDP [Struggle of Philippine Democrats], 1.32 percent.

The survey showed that if President Aquino runs under the LDP banner and is backed by Ramos and Santiago, she will likely get 66.73 percent of Metro Manila votes.

The LP candidate, whoever he will be and with the full support of the party, will garner some 24.56 percent while the NP candidate will get about 8.88 percent of the votes, Vox Populi said.

If President Aquino decides not to run in 1992, the LDP will be the loser and the LP will emerge the winner as the baseline support of Mrs. Aquino will swing to the LP which Sarmiento explained as the "siphoning effect."

The LDP candidate, barring any significant defections from its ranks and with the support of Ramos and Santiago, will likely obtain only 41.29 percent of the Metro Manila vote. Without Santiago's backing, this figure will go down to about 22.47 percent, the survey showed.

On the other hand, the LP candidate, provided there are no significant defections and with Estrada giving his full support, will likely obtain a winning 45.73 percent. If

Santiago swings her support to the LP, victory for the LP candidate in Metro Manila is a foregone conclusion with 64.55 percent, the survey added.

In this scenario, the NP candidate, provided again there are no significant defections, will get an improved 12.92 percent. The only chance of the NP, Sarmiento said, is to get Santiago and Estrada as guest candidates. In this case, the NP candidate will likely obtain a winning 49.85 percent.

The survey showed that President Aquino, Estrada, and Santiago are the clear front runners in the minds of the electorate because they do not represent the "traditional politician."

Landowners Vow To Form Strong 'Voting Bloc'

HK0204130990 Manila THE MANILA CHRONICLE in English 2 Apr 90 pp 1, 7

[By staff member Johanna Son and correspondent Joey Caburnida]

[Text] Landowners, disappointed by the Aquino Government's "litany of abuses" against them, yesterday vowed to put up a five-million strong voting bloc that would support selected local and national candidates in the 1992 elections.

Flexing their political muscle, the landowners said they would vote only for candidates chosen by the bloc's leadership who would be responsive to their sentiments. "This is indeed a voting bloc of no mean proportion," said Horacio Marasigan, president of the Land's Upmost Productivity Association (Lupa) which held its convention yesterday.

In a resolution, Lupa said it would block Abad's confirmation and express this stand in full-page advertisements. Conference chairman Horacio V. Marasigan said they believe Abad's appointment as DAR [Department of Agrarian Reform] Secretary "is a catastrophe for the landowners" since he is "too much anti-landowners". "He (Abad) ran in the Partido ng Bayan [PNB—People's Party], the same party to which (militant peasant leader) Jaime Tadeo belongs. In the farm-conversion-into-industrial-estate issue in Cavite, Abad prefers to forego the construction of 150 plus factories, withhold jobs to 50,000 plus laborers in order to allow 77 farmers to till their lands," Marasigan said.

Asked if they had a replacement for Abad in mind, he said they could "tolerate" DAR Undersecretary Jun Medina.

Marasigan, himself a Batangueno farm estate owner, added that they also plan to forge an alliance with the Iglesia ni Cristo [Church of Christ] which, according to him, is "indeed a voting bloc of no mean proportion".

Even as he said that landowners are committed to help the Government in the implementation of its land reform program through a "tripartite and continuing dialog among the landowners, Government and peasants", Marasigan said they are no longer willing to be "victims of any pseudo-messiahs".

The whole-day affair turned into a near electoral campaign as opposition Sen. Juan Ponce Enrile and Vice President Salvador Laurel lauded the formation of such an organization that would carry forward their interests in all branches of the Government.

For her part, former Senator Eva Estrada-Kalaw took the occasion to recruit members for the National Reconciliation Movement, which she said would be formally launched today at the Army and Navy Club. She said the group is an attempt to unite conflicting interest such as landowners and peasants, management and laborers, students and teachers "in the spirit of problem solving". She, however, said the effort to bring about reconciliation would only be significant if "there is justice".

While landowners are still committed to help the Aquino Government in the Comprehensive Agrarian Reform program (CARP), Marasigan observed: "The pendulum has swung too much to the Left... Landowners have the perception that they have no chance for even-handed treatment under the present Administration". He claimed the Constitutional Commission, the President, Congress and the Judiciary have not adequately consulted or listened to the landowners and that their suggested amendments to the Comprehensive Agrarian Reform Law [CARL] fell on deaf ears. The bloc would make the landowners' voices heard if Government refuses to hold a tripartite dialogue among peasants, the Administration and themselves to "improve" CARP, Marasigan added.

He said landowners would vote not along party lines but for someone who is neither "too Left nor too Right". "We will vote not on the basis of what is good for the landowners but (on) what is good for the country," he said.

Taking up the cudgels for the landowners, Vice President Laurel in his keynote speech deplored Mrs. Aquino's land reform as "recycled, hypocritical and a pitiful sight." "Bakit kayo ang pinag-iinitan?" [Why are you the object of derision?] he asked the landowners, who, he said were viewed as "social parasites" and "evil" when they had acquired their holdings through hard work.

In the last two years, Marasigan said CARP has caused landowners to "lose motivation" in production, which contributes to the decline in agricultural and food production. The shortfall in rice has risen to eight million bags in 1989 from four million bags in 1988, he said.

The landowners battled for a long-standing amendment to CARL: that land reform be carried out not by setting retention limits but by setting productivity standards to eliminate inefficient and absentee landlords.

National Reconciliation Movement Launched

HK0304040190 Manila PHILIPPINES NEWSDAY in English 3 Apr 90 p 3

[By Fidel F. Asor Jr.]

[Text] A movement advocating national reconciliation spearheaded by former Senator Eva Estrada-Kalaw was formally launched yesterday at the Army and Navy Club on Roxas Boulevard in Manila.

In her speech at the launching of the National Reconciliation Movement (NRM), Kalaw said the deep-seated divisions in the country today "are a major barrier to political and economic development." She said NRM aims to draw people with diverse back-grounds but having the same commitment towards the peaceful resolution of disputes. "It is our conviction that it is through the workings of such diverse groups on issues that deeply concern them that we will move, slowly but surely, toward true national reconciliation," Kalaw said.

She said the most visible manifestations of divisiveness in the country today "are the challenges to the State posed by rebels of the Left and of the Right and by the secessionists in the North and South." Added to these are divisions among people and institutions competing for scarce resources—tenant against landowner, laborer against manager, consumer against producer and farmer against industrialist, Kalaw said.

"These basically non-ideological conflicts of interest are difficult to resolve because the parties to the various disputes have some moral claim to the country's resources, the government's favor and the people's support," Kalaw said. She added: "The danger is that as the divisions in the country become deeper, these conflicts of interest may more and more acquire an ideological cast and the parties to these conflicts may be enlisted in the various attempts to overthrow the government."

Calling the movement "an honest broker" for contending parties, Kalaw however cautioned that it is not "based on the naive faith that dialog will resolve all our divisions." "But as long as we continue to talk with one another—even while we are locked in conflict—we should be able to limit our conflicts only to those areas on which we have real differences—rather than having our conflict spill over into those areas where we have no real differences and may in fact even been potential allies," she said.

Aquino Consents to Pampanga Delta Project

HK0304054190 Quezon City Radyo ng Bayan in Tagalog 0500 GMT 3 Apr 90

[Text] President Aquino has consented to the construction of the 2.5-billion-peso Pampanga Delta development project. This project will solve the long-standing problem of flooding in Central Luzon. Pampanga Governor Bren Guiao said the president has approved the completion of the project, which will be funded and handled by the Japanese Government starting in May of next year. The project includes the construction of floodways, channels, and irrigation structures.

Aquino Visits Romblon, Checks Various Projects

HK0304053990 Quezon City Radyo ng Bayan in Tagalog 0400 GMT 3 Apr 90

[Text] President Corazaon C. Aquino today ordered the immediate implementation of various livelihood and infrastructure projects in Romblon. The chief executive and several Cabinet members went to Romblon this morning. She announced a 129-million-peso funding for various infrastructure projects in the province. Mrs Aquino added that starting today, Philippine Airlines will have regular flights there. She noted the lack of water and ordered the Department of Environment and Natural Resources secretary to carry out environmental programs. According to her, the province's livelihood will improve by launching these projects.

The president held a dialogue with local officials, asked for their collaboration, and listened to their complaints.

Aquino Names New Capital Region Command Chief

HK0304040590 Manila PHILIPPINE DAILY INQUIRER in English 3 Apr 90 p 11

[By Gerry Lirio]

[Text] President Aquino yesterday appointed Col. Marino Filart, former Constabulary commander of the Bicol region, to head the Capital Regional Command and the Metropolitan Police Force.

Maj. Gen. Ramon Montano, former Constabulary chief, made the announcement after a meeting with President Aquino in Malacanang yesterday.

Montano said Filart replaced Brig. Gen. Alexander Aguirre, who was promoted as Armed Forces deputy chief of staff, taking over the post left by Vice Adm. Emerson Tangan.

Montano and Tangan, both graduates of the Philippine Military Academy [PMA], retired from the service last April 1. Montano was replaced by Brig. Gen. Cesar Nazareno, former PC [Philippine Constabulary] commander for Central Luzon.

During the meeting, Montano said Ms. Aquino asked him what government position he wanted to take now that he is already a civilian. He said he preferred any post which could make use of his military background, like heading the National Intelligence Coordinating Agency, which is being held in an acting capacity by Brig. Mariano Adalem, presidential adviser for military affairs. Montano said, however, he preferred to talk about holding a new post after he is through with his two-week vacation.

Apart from Montano and Tangan, those who retired were Brig. Gen. Galileo Kintanar, chief of the Armed

Forces Intelligence Service, Brig. Gen. Renato Palma, chief of the Visayas Command; Maj. Gen. Manuel Cacanando, chief of the Army; Brig. Gen. Alejandro Galido, chief of the Southern Luzon Command; and Brig. Gen. Roman Gavino Jr., AFP [Armed Forces of the Philippines] deputy chief of staff for intelligence, Maj. Gen. Jose De Leon, Air Force chief, Brig. Gen. Andrew Francisco, chief PAF [Philippine Air Force] 1st Air Division; Brig. Gen. Napoleon Angeles, chief Western Command; Brig. Gen. Pedro Juachon, chief PA [Philippine Army] Training Command; and Col. Virgilio Calib, Rear Adm. Carlito Cunanan, Navy flag Officer in command, Commodore Ernesto Ramos, PN [Philippine Navy] vice commander; Commodore Juanito Cortez, chief of the Naval Training Command; and Commodore Antonio Empedrad, chief of the Second Naval District.

Members of the PMA Class of '58 are the second group of top-level military officers to be retired en masse, after the Class of '57 ended their military service in April last year. Their retirement is expected to start the promotion of junior officers from all the four major services.

Assassination of Ramos or De Villa Said Planned

HK0304035790 Manila PHILIPPINE DAILY INQUIRER in English 3 Apr 90 pp 1, 12

[By Fe Zamora]

[Text] Ultra-rightist soldiers are planning to assassinate either Defense Secretary Fidel V. Ramos or Gen. Renato S. de Villa, Armed Forces chief of staff, as a prelude to the next coup attempt, the INQUIRER learned yesterday.

The assassination would be carried out by highly motivated military rebels who believe that eliminating the two officials will create a "vacuum" in the AFP [Armed Forces of the Philippines] leadership and cause temporary chaos in the ranks, a situation considered "ripe" for another attempt to seize power.

Brig. Gen. Lisandro Abadia, AFP deputy chief of staff for operations, said he learned of the plot even before the Dec. 1 coup attempt. He said reports about the plot continued to come in even after the sixth and bloodiest attempt to oust President Aquino. "It's consistent," he said of the report. "They are really desperate now. They want to kill Ramos, De Villa, (Brig. Gen. Rodolfo) Biazon and even (Maj. Gen. Ramon) Montano," Abadia said. "But even if they do that, there will be successors."

Abadia, however, said he doubted if the Young Officers Union (YOU), said to be an organization of idealistic young AFP officers, really existed. "It's fiction," he said, "This is just a spin-off of the RAM (Reform the Armed Forces Movement)." He said the YOU is the handiwork of RAM which began losing its "young, idealistic" officers when it allied itself with the Marcos loyalists. The RAM collaborated with the loyalists' Soldiers of the Filipino People and launched the December coup attempt. Abadia said the alliance was a "kiss of death" as the RAM was concerned.

The YOU first surfaced last year as an organization composed mostly of Scout Ranger officers who trained under dismissed Lt. Col. Gregorio Honasan in Fort Magsaysay in Laur, Nueva Ecija. The group surfaced again last December, proclaiming support for the coup attempt led by Honasan and dismissed Brig. Gen. Jose Ma. Zumel, a Marcos loyalist.

The YOU recently said it was accepting an offer to forge an alliance with the Communist Party of the Philippines. Earlier, intelligence officials said they monitored a meeting between the YOU and a representative of the CPP. But the intelligence officers said the YOU people at that time did not know they were talking with CPP representatives. "We are closely watching them. We hope they will not fall into the communists' trap," the officer said.

Abadia, however, warned other AFP personnel to report immediately to their superiors any "recruitment" from the rebel soldiers. "Any soldier or officer who will not report that they have been recruited, or name the recruiters, shall be punished accordingly," he said. He added that commanders would be relieved if they failed to report immediately any recruitment by the YOU.

Probe of Bulacan Paramilitary Abuses Ordered

HK0304133990 Quezon City Radyo ng Bayan in Tagalog 1200 GMT 3 Apr 90

[Text] Defense Secretary Fidel Ramos today ordered an immediate investigation into alleged abuses and harassment committed by the Citizens Armed Force Geographical Unit [CAFGU] in San Miguel, Bulacan. The local CAFGU unit is reportedly responsible for the departure of 24 persons from the area.

Ramos instructed AFP [Armed Forces of the Philippines] chief of staff General Renato de Villa to form a special team to investigate and take necessary steps as soon as possible. Ramos' order followed complaints by brothers Maximo and Rodolfo Torres, who alleged that the CAFGU has been sowing terror in the area, causing the 24 persons to leave the place because of fear.

Ramos asked the military to explain to the people in Barangay Tibagan, San Miguel that the CAFGU unit is stationed there to protect them and maintain peace and order in the region.

Military Drops Reconciliation Policy on Rebels

HK0404032390 Manila PHILIPPINES NEWSDAY in English 4 Apr 90 p 3

[By Dario B. Agnote]

[Text] The military high command has completely dropped the government's policy of reconciliation previously extended to mutinous soldiers, saying it resulted more in division than unity in the Armed Forces.

Brig. Gen. Lisandro Abadia, AFP [Armed Forces of the Philippines] deputy chief of staff for operations (J-3), described the policy as a "bitter pill we have to swallow."

Abadia also dismissed rumors of another coup attempt to be mounted during the Holy Week. "They (rebel soldiers) are not capable of mounting one at this point." "Besides, the people are tired of its terroristic attacks like bombings...yes. But not coup."

"We cannot afford the luxury of extending the reconciliation policy, particularly to mutinous soldiers," Abadia said. The policy, he added, did not work out.

He cited the cases of Commodore Domingo Calajate, former Logistics Command chief, and Brig. Gen. Marcelo Blando, former commanding general of the 7th Infantry Division based in Fort Magsaysay in Nueva Ecija. Abadia said these two officers were involved in the August 28, 1987 putsch but were given another chance because of the reconciliation policy. "We have learned our lessons," Abadia said. He added that the AFP has adopted a stricter screening process in choosing commanders.

He also cited the leniency given to known Marcos officers who served directly under former AFP chief of staff Gen. Fabian C. Ver, among them Lieutenant Colonels Arsenio Tecson, Levi Zamora, Rafael Galvez, and Romelino Gojo and Major Dante Oliveros.

These key officers, said Abadia, forged link with the Reform the Armed Forces Movement (RAM) to mount the December failed coup, in which at least 113 people were killed and hundreds more were wounded.

Former Capcom Chief Denies Reports on Loyalty

HK0204120190 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 2 Apr 90

[By Eloi Aquino of Mobile Unit No. 12]

[Text] Former Capital Region Command [Capcom] Chief Brigadier General Alexander Aguirre has denied reports that he will join the rebel soldiers of the Reform the Armed Forces Movement [RAM]. He made the statement after news spread that he might join the RAM forces because he was bypassed and not installed as the new Philippine Constabulary-Integrated National Police [PC-INP] chief to replace Major General Ramon Montano. In a letter sent by Aguirre, he said these allegations are unjust and an insult to him. He said he will not turn against his oath of office, his loyalty to President Aquino, and the current democratic institutions in the country.

Although Aguirre admitted he was disappointed when he did not get the PC-INP post, he reasoned that his reaction was normal. He said he is not foolish and is weighing both sides. Aguirre stated he knows the profession he chose and one has to be prepared all the time, not seeking personal interests at the expense of the public. The former Capcom chief also explained that after he learned on 28 March 1990 that Brigadier General Cesar Nazareno, his classmate, will assume the PC-INP portfolio, the first thing he did was to send him a congratulatory message with a prayer that he succeeds in the new post. That same afternoon, he met with Capcom-NPF [National Police Force] officials and men at Camp Bagong Diwa and urged them to support the new PC-INP chief the way they supported General Montano and other previous PC chiefs. Aguirre added that when he turned over the Capcom command to Brigadier General Marino Filart, he reiterated to his former men the value of unity in the AFP [Armed Forces of the Philippines], i.e. the success of their mission is to serve the people. He further explained that his vacation is temporary and AFP Chief of Staff General Renato de Villa has promised him an equally challenging assignment. According to the former Capcom chief, he is a professional and will obey any order.

New PC-INP Chief on Communists Insurgency

HK3103024090 Manila Far East Broadcasting Company in English 2300 GMT 30 Mar 90

[Text] Newly appointed PC-INP [Philippine Constabulary-Integrated National Police] chief Brigadier General Cesar Nazareno vowed to go after coup plotters and communist rebels. He urged all constabulary and police personnel to be ruthless and uncompromising against those who try to assume power through undemocratic processes. He said the communist insurgency remains the major threat to national security. The problem, he said, is exacerbated by potential threats from ultrarightists and criminal elements.

At the same time, Brig. Gen. Alexander Aguirre, Nazareno's chief rival for the top PC-INP post, went on a one-year leave yesterday [30 March].

NPA Said To Have Killed Over 2,000 Agents

HK0304104390 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 3 Apr 90

[By Eloi Aquino]

[Excerpts] Over 2,000 suspected military deep penetration agents [DPA] believed to have infiltrated the CPP-NPA [Communist Party of the Philippines-New People's Army] were killed and buried in various killing fields around the country. This was disclosed by two former rebels, one of whom voluntarily surrendered and returned to the government while the other was arrested last year.

According to Ruben Guevarra, alias Ka [Comrade] Peter, one of the founders of the CPP and former member of the CPP-NPA Central Committee; and

Antonio Llagas, alias Ka Jun, former NPA company commander in Southern Luzon, the movement launched five operations from 1984 up to last year. These included Operation Kagaw [mite] in the Visayas Region in 1988, in which 200 DPA's were kidnapped and liquidated, and Operation Kadena de Amor [chain of love] in the Bicol region in 1985, in which 600 were reported killed by the rebels. In 1986, they launched Operation Zombies in Mindanao, and 200 DPA's were also killed, including two of the movement's regional cadres. In 1988, Operation Missing Link was launched with objective to watch and punish high-ranking rebel officials who turned traitors. During this operation, 600 were killed and buried in mass graves. [passage omitted]

Ka Jun admitted that Colonel Eduardo Manabat, intelligence officer of the Philippine Army's 16th Infantry Battalion; and Sergeant Liberato Barroga of the 234th PC [Philippine Constabulary] Company were among those killed and buried in a mass grave in Barangay Recto, General Luna, Quezon Province.

NPA Seeks To Professionalize, Regularize Units

HK0204134790 Manila THE MANILA TIMES in English 2 Apr 90 p 2

[By Raymond Burgos]

[Text] The rebels have adopted basic military principles and practices of the Armed Forces of the Philippines [AFP] in their intensified efforts to transform their guerilla units into regular military formations.

In Southern Tagalog, New People's Army [NPA] guerillas are working double-time to reorganize units into company-size formations composed of 90 to 120 full-time guerillas the way the AFP's troops are grouped. These regular combat formations are just the start of their drive toward a higher stage of the struggle where they expect to muster even battalion-size formations, Gregorio "Ka [Comrade] Roger" Rosal, spokesman of the Melito Glor command which covers the region, told the TIMES in an interview.

This regularization of the rebel groups "is easier said than done," Ka Roger pointed out, as it would require drastic changes on the whole NPA organization and a lot of sacrifices on the part of every red fighter.

Part of the NPA's regularization program is the raising of the level of discipline among NPA regulars and the inculcation of basic principles of military courtesy borrowed from the AFP.

Thus, it is no longer considered "burgis [bourgeois]" or "pyudal [feudal]" rendering a salute to an NPA officer by a guerilla. Before, saluting was not practised as it divided the red fighters between officers and men which in the opinion of many, was an "uncomradely" act.

But after already attaining a high level of politico-military experience, Ka Roger said that the NPA leadership realized the need for the further professionalization of the people's army and one way of doing it is by adopting the various forms of military courtesy and discipline as well as the drills and ceremonies being practiced by the AFP.

When they first introduced such practices in 1988, Ka Roger admitted that his comrades in arms where uneasy, taking the whole thing as a joke.

"Madalas, pag sumaslaudo, nagkekenkoy o di kaya'y nananadyang magkamali dahil hindi nga nakasanayan. Pero dahil na rin sa tuluytuloy na paliwanag, natatanggap na rin ng mga hukbo at ginagawa na ng seryoso, [In the beginning, they felt awkward or deliberately made a mistake when saluting. But after continuous explanations, it was accepted by the force and is being performed seriously now.]" Ka Roger points out.

Ka Roger adds that forms of disciplinary punishments such as "push ups" and "squat jumps" are also being practiced now especially when there are late comers in military drills and meetings. Such kind of discipline is highly needed in large, battalion-size formations to ensure that commands and orders are smoothly implemented and followed by those below, Ka Roger said. "Gyera kasi dito, eh. At sa ganyang kalagayan, absoluto ang command ng C.O. (commanding officer) Otherwise, baka malagay sa panganib ang buong pormasyon, [This is a war. Under such conditions, the C.O. has absolute command. Otherwise, the whole formation may be endangered.]" he said.

The 42-year-old NPA rebel revealed that Regional Military Academy has also been established by the Melito Glor Command to train guerillas especially officers and cadres, thus ensuring an efficient military organization.

Among the courses being offered by the officers' school located in the jungle fastness of the Sierra Madre mountains are the Batayang Kursong Militar (BKM) [Basic Military Course] which is a required course for all regulars; the Basic Partisan Course (BPC) for sparrow operatives; Batayang Kursong Opisyal (BKO) [Basic Officers' Course] for NPA cadres; Special Operations course (SOC) and other line work courses such as explosives training, radio operating, and intelligence work.

The courses are divided into theoretical and practicum. After each course, a written examination is given to the students the result of which, is recorded and centralized to their mother unit to be used in giving promotions.

But the rigorous part is the practicum where the graduating batch is tasked to stage a tactical offensive in the form of either ambush or raid in a military detachment following the Marxist dictum "Practice is the sole criterion of truth."

Another innovation in the 21-year-old insurgent organization is the giving out of awards and recognition to red fighters who have shown extraordinary bravery in the performance of his duty.

Ka Roger was swift to explain that the awards and recognition, which are in the form of plaques, are not meant to sow competition and rivalry among guerillas and units. He says that such awards only aim to serve as incentives to those who have shown outstanding performance in carrying out their military tasks while at the same time, they serve as inspiration for others to bring out their best in the performance of their duty.

"Sa NPA naman kasi, walang sweldo hindi gaya sa AFP. Sumapi sa hukbo ang mga yan dahil naniniwala sila sa digmaang bayan at sa mga prinsipyo ng pambansang demokrasya. Ang tingin namin, walang masama kung bigyan sila ng mga incentives gaya ng mga awards. [Unlike the AFP, the NPA does not pay out wages. They joined the forces because they believe in the people's war and in the principles of national democracy. We do not see anything wrong in giving them incentines like awards.]" Ka Roger stressed.

Top NPA Official Arrested in Quezon City

HK0404033390 Manila MANILA BULLETIN in English 4 Apr 90 pp 1, 14

[By Robert R. Requintina]

[Text] Operatives of the PC [Philippine Constabulary] Capital Regional Command (Capcom) arrested in Quezon City yesterday one of several New People's Army (NPA) leaders believed to have been sent on test missions in Metro Manila.

Nabbed was Alexander Letran, alias "Ka [comrade] Rene" and "Ka Joy," who reportedly ranks No. 3 in the NPA organizational structure in Masbate, Bicol region.

Letran was described as an executive committee member of the Guerrilla Front Committee, Revolutionary Party Committee under one Carlito Imperial, head of the organization department of the sub-district committee south covering the municipalities of Cawayan, Dimasalang, Palanas, Catangan, Placer, Pio Corpuz, and Esperanza, all in Masbate. He is also the commanding officer of the Sandatahang Yunit Pampropaganda [Armed Propaganda Unit] in the same province, the military said.

In a report to Brig. Gen. Marino Filart, new commander of the Capcom and Metropolitan Police Force (MPF) director, the Capcom operatives said that Letran was arrested at 731 Litex Road, Unit 2, barangay Commonwealth, QC [Quezon City]. They were armed with a search warrant. The arrest was witnessed by Perla Ativo, owner of the house where Letran and his family are renting a room, and three barangay officials. Seized during the raid were a fragmentation grenade, a copy of LIBERATION MAGAZINE, and three textbooks on the Communist Party.

Capcom authorities said that Letran admitted participation in the killing of two civilians in Masbate.

Albay Rebel Returnees Receive Government Loans

HK0204132790 Quezon City MALAYA in English 1 Apr 90 p 2

[Text] Sixteen rebel returnees in Albay were recently granted P[pesos]128,000 worth of loans under the Rebel Returnee Livelihood Assistance Project. Secretary Luis Santos of local governments, who distributed checks worth P8,000 each to the former members of the New Peopls' Army, said the amount is part of P1 million allotted for livelihood projects for the returnees in Albay. The project is under the National Reconciliation and Development Program being implemented mainly by the DLG. [Department of Local Governments]

The returness were required to submit feasibility studies or project proposals before they were granted the loans. Santos said among the projects to be undertaken are farming, carabao dispersal, piggery, and poultry raising.

Constabulary To Crack Down on Negros CAFGU's

HK0204131590 Quezon City MALAYA in English 2 Apr 90 p 10

[By Edgar Cadagat]

[Text] Bacolod City—The Negros Occidental PC [Philippine Constabulary] provincial commander said that the crackdown here on landlord-controlled CAFGUs (Citizens Armed Forces Geographical Units) is meant to "streamline the operations" of paramilitary units so they won't develop into the same "monsters" they turned into in Cagayan Province.

Most CAFGU members in Cagayan joined ex-Governor Rodolfo Aguinaldo in his confrontation with government over the filing [as published] of the last Dec. 1-6 failed coup.

Reputedly a Ramos-De Villa loyalist, Col. Reynaldo Velasco, who assumed his present post after the bloody December coup, made the statement after reports of a "silent war" between the military and Negros sugar planters due to the ongoing crackdown against sugar planter-controlled CAFGUs.

Velasco cited the government's "sad experience" in Cagayan province when paramilitary units composed of alleged rebel returnees and Aeta tribals joined the forces of Aguinaldo. Velasco also said that the military wants to prevent CAFGU members from developing "split loyalties" because of the "unique situation" in Negros Occidental of paramilitary units.

There are two types of CAFGUs in Negros, the regular CAFGUs which are attached to military units, trained by them and paid by the government, and the so-called "Special CAFGUs." The Special CAFGUs evolved from the PC Forward Command [FC] which was organized by sugar planters in various districts in the province through the encouragement of then Provincial Commander Col. Miguel Coronel whom Velasco replaced.

Groups of planters in these district pooled their resources and paid the allowances of PCFC units already organized.

Though organized for counter-insurgency purposes, the PCFC's more and more took the form of private armies, harassing union members and running after those espousing land reform.

Reported Alliance of Rightists, Muslims Refuted

HK0204124590 Manila PHILIPPINE DAILY GLOBE in English 1 Apr 90 p 7

[By Arnold Garcia]

[Text] Cotabato City—Civilian and military officials here have described as plain rumor or at best a psywar strategy the reported alliance among the Muslim secessionist groups and the ultrarightist military group in Mindanao.

Earlier reports said the Moro national Liberation Front [MNLF], the Moro Islamic Liberation Front [MILF], the Mindanao Independent Movement [MIM], and the Reformed the Armed Forces Movement [RAM] have formed an alliance to fight the Aquino government.

The MNLF, MILF and the MIM have been fighting for the secession or independence of Mindanao, while the RAM, whose leaders figured prominently in the 1986 civilian-military uprising that catapulted Mrs. Corazon Aquino to the Presidency, has launched several coup attempts to topple the government for Mrs. Aquino's alleged failure to install genuine reforms in the military.

Cotabato City Mayor Ludovico Badoy said yesterday that there were no signs indicating an alliance among the MNLF, MILF, MIM and the RAM. If an alliance had been forged, Badoy said, unusual movements of armed groups could be observed because the city was the center of operation of the 17,000-strong MILF.

He also said that cashiered Col. Alexander Noble is operating outside the region and his forces are too few to make an impact. Noble's influence may have reached isolated groups of cultural communities but not the Muslim armed groups, Badoy said.

Badoy also belittled MIM chief Reuben Canoy's ability to join forces with the Muslim groups. With Canoy's credibility in question, it will be very difficult for him to forge an alliance with the Muslims, Badoy added.

Col. Jocelin Nazareno, commander of the Army's 603rd Brigade based in Cotabato City, denied the alliance among the armed groups. Nazareno said his unit has not gathered any intelligence on the reported alliance.

Nazareno also said that he will send out more patrols to provide security to the cultural minorities who have been reported being harassed by an unidentified armed group believed to be members of the "lost command" of the MILF and the MNLF. Nazareno's decision followed complaints that 79 members of the cultural minorities, mostly Tirurays, Monobos and Bagobos from the provinces of Sultan Kudarat, Maguindanao and North Cotabato, have been killed since last year.

Reports reaching the Office for Southern Cultural Communities [OSCC] said the killings were perpetrated by security guards of the MNS Logging Co. operating in the area. But during a dialogue here between the officials of the OSCC led by Undersecretary Jose Lopez and the company headed by Victor Consunji, the MNS said the killings were perpetrated by the "lost command."

The MNS also agreed to provide security to the cultural communities within its concession area in cooperation with the 603rd Army Brigade.

March Inflation Rate Accelerates to 13.4%

HK0304042190 Manila BUSINESS STAR in English 3 Apr 90 pp 1, 3

[Text] After slowing down in January and February, the inflation rate accelerated to 13.4% this month from 12.8% last month. The current rate was 5.7% higher than the recorded rate of 7.7% 12 months ago.

Inflation figures in Metro Manila and areas outside Metro Manila (AOMM) also accelerated this month after registering slower rates during the first two months of the year. This month's inflation rates are 12.9% in Metro Manila and 13.5% in AOMM. These were higher by 1.5% and .3% than the 11.4% and 13.2% rates noted last month in Metro Manila and AOMM respectively. These were likewise higher by 5.5% and 5.8% than the corresponding 7.4% and 7.7% rates in March 1989.

However, prices increased by only .3% over last month on the strength of negligible (negative) percent changes in the food, beverages and tobacco index in all areas.

The Consumer Price Index (CPI) for the Philippines was 481 in March and 479.6 in February. The CPI in Metro Manila was 516.0 increasing by 0.7% over the February CPI of 512.5 and in AOMM was 474.2, up by .2% over the 473.3 posted in February.

The fuel, light and water index contributed much to the increase in the inflation rates from March 1989 to March 1990. During the month, the group's index exhibited the highest annual increase among the major commodity groups at 23.2% in the Philippines, 25% in Metro Manila and 22.8% AOMM compared to the negative annual changes of 1.4% and 2% in the Philippines and AOMM, respectively, a year ago. These were attributed to the higher prices of LPG and kerosene during the month compared to those in March 1989 as a result of the oil price increase last December.

The same group displayed the highest monthly increase (.9%) among the major commodity groups in AOMM as prices of firewood, kerosene and LPG (liquified petroleum gas] increased this month together with the increased electricity and water consumption rate in some provinces. In Metro Manila, the group's index ranked second as prices of the above mentioned commodities were also higher in this area. Thus, the group's index increased by 1.4% in Metro Manila and 1% in the Philippines over February.

The food, beverages and tobacco index still showed a decreasing trend in all areas of the country. Price reductions were generally seen in prices of fresh fish in Metro Manila and in many regions in the countryside. An ample supply of fish in the provinces due to favorable weather conditions caused its price to drop significantly. On the other hand, prices of most fish species in Metro Manila went up specially during the third week of the month when the fresh fish index recorded a 9.8% weekly increase due to the decrease in the volume of fish catch from the usual sources aside from the higher demand brought by the Lenten season. However, this was offset by the 10.9% decrease in the said index during the fourth week of the month due to improved supply. Hence, the fish index in the area decreased by 3.2%. Price of eggs were also generally seen lower in Metro Manila and in seven regions. Meat items especially chicken were also sold at lower prices in eight regions. The eggs and meat indexes in these areas thus, reflected negative monthly changes. Other food items exhibited positive monthly changes in Metro Manila and in most of the provinces and this slowed down the rate of decrease in the food, beverages and tobacco index. Overall, the group's index still registered a slight monthly decrease of 0.1% in the Philippines, Metro Manila and AOMM.

Increased rental rates of house and apartment in Metro Manila effected a 3.6% gain in the housing and repairs index, the highest monthly increase noted among the major commodity groups in the area. In the Philippines and AOMM, it moved up by 1.5% and 0.7% respectively.

Thailand

Army Finalizes List for Military Reshuffle

BK0404005590 Bangkok THE NATION in English 4 Apr 90 p 1

[By Phongsak Sisot]

[Text] The army has finalized a list of about 50 officers to be promoted in a reshuffle brought about by the resignations of Gen [General] Chawalit Yongchaiyut and Gen Charuai Wongsayan from the army. Army chief Gen Suchinda Khraprayun sent the list yesterday to newly-appointed Supreme Commander Gen Sunthon Khongsomphong, who is expected to forward the list of about 200 officers to be reshuffled at the three armed forces and the Supreme Command, to Chawalit in his capacity as defence minister very soon. An announcement on the mid-year military reshuffle is expected after His Majesty the King approves the list, the sources said. In the army reshuffle, Assistant Army Commander-in-Chief Gen Itsaraphong Nunphakdi and Deputy Army Chief-of-Staff Lt Gen [Lieutenant General] Wirot Saengsanit are tipped to succeed Gen Suchinda and Charuai as deputy army commander-in-chief and army chief-of-staff respectively. Second Army Region Commander Lt Gen Wimon Wongwanit is expected to succeed Gen Itsaraphong as assistant army commander-in-chief. All three generals belong to Suchinda's Chunlachomklao Military Academy's Class Five. Other appointments at the army include:

—Assistant Army Chief-of-Staff Lt Gen Pramon Phalasin as deputy army chief-of-staff;

—Second Army Corps Commander Lt Gen Phaibun Hongsinlak as Second Army Region commander;

—Lt Gen Phairo Wongwatthana, chief personal staff officer to the army commander-in-chief, as an officer attached to the army headquarters; and,

—Territorial Defence deputy chief Maj Gen [Major General] Sakan Sathityutthakan as army advisor with the rank of lieutenant general.

At the Supreme Command, Deputy Chief-of-Staff ACM [Air Chief Marshal] Phisit Salikhup is expected to rise one step to succeed Sunthon as armed forces chief-of-staff. Director of Armed Forces Personnel AM [Air Marshal] Suthep Thepharak will be appointed as officer attached to the Supreme Command's headquarters with the rank of air chief marshal. Promotions at the Royal Thai Air Force will include:

—Deputy Air Force Chief-of-Staff AM Likhit Suwannathat as officer attached to the Royal Thai Air Force headquarters;

—Assistant Air Force Chief-of-Staff for Intelligence AM Prachum Chaisiri as deputy air force chief-of-staff;

—Director of Air Force Intelligence AVM [Air Vice Marshal] Somsak Kusalasai as assistant air force chief-of-staff for intelligence;

—AM Thawon Koetsai as assistant air force chief-of-staff for logistics;

—Assistant Air Force Chief-of-Staff for Logistics AM M.R. Siriphong Thongyai as air operations control director;

—Air Operations Control Director AM Yutthaphong Kittikhachon as officer attached to the air force headquarters;

—Armed Forces Staff Academy chief AM Samat Sotsathit as assistant air force chief-of-staff for operations;

—Air Force Assistant Chief-of-Staff for Operations AM Kriangkrai Sinthawanon as officer attached to the air force headquarters;

—Air Force Advisor AM Phanom Thiratwathi as assistant air force Chief-of-staff for personnel; and,

—Air Force Chief-of-Staff for Personnel AM Pracha Mungthanya as officer attached to the air force headquarters.

There will be no significant changes for the Royal Thai Navy in the mid-year reshuffle, the sources said.

Sitthi Returns From China, Comments on Talks

BK0404010590 Bangkok BANGKOK POST in English 4 Apr 90 p 3

[Text] Inter-government agencies yesterday reached a unanimous decision on whether Thailand should allow the Dalai Lama's visit, Foreign Minister Sitthi Sawetsila said yesterday. ACM [Air Chief Marshal] Sitthi, who returned from an eight-day official visit to China last night, refused to reveal the decision, saying he would report to Prime Minister Chatchai Chunhawan today. ACM Sitthi said China is already well-informed about the proposed visit of the Tibetan spiritual and political leader, while the minister is well aware of Chinese concern on the issue. He said he did not pass the buck when he referred the Dalai Lama issue to the National Security Council, which called a meeting yesterday. The Foreign Ministry should listen to other concerned agencies when it comes to matters of such significance, he said.

Describing his trip as a success, the Foreign Minister said China regards Thailand as an important ally in the region. China looks forward to closer cooperation with Thailand, especially in economics and trade, he said. Despite the surplus of domestic production, China agreed to consider a request to buy rice from Thailand, he said. Against the backdrop of a rapidly changing world, China will adhere to five principles of peaceful co-existence, ACM Sitthi said. On the Cambodian issue, the Foreign Minister said China regards the question of verifying the Vietnamese troops withdrawal as the major obstacle to the peace process. However, the Chinese Deputy Foreign Minister agreed to meet the Vietnamese Deputy Foreign Minister, who is about to visit Beijing. By then, China will be able to sound out the Vietnamese position on Cambodia and also on Foreign Minister Nguyen Co Thach's proposal for a meeting of China, Vietnam and Thailand. ACM Sitthi said that during his meeting with Prince Norodom Sihanouk in Beijing, the Prince said he is willing to meet Phnom Penh Prime Minister Hun Sen in Bangkok if Hun Sen wishes.

Sihanouk Arrives in Bangkok From Beijing 4 Apr

BK0404083790 Hong Kong AFP in English 0807 GMT 4 Apr 90

[Excerpt] Bangkok, April 4 (AFP)—Prince Norodom Sihanouk, a leader of the anti-Phnom Penh Cambodian resistance, arrived here Wednesday [4 April] from Beijing on his way back to a guerrilla-controlled area in northern Cambodia, airport officials said. Prince Sihanouk, Cambodia's former monarch and the head of one of the two non-communist guerrilla factions allied to the powerful Chinese-backed Khmer Rouge to fight forces of the Vietnam-installed government in Phnom Penh, is to travel to Cambodia in "some two days," sources in his office here said. Diplomats said there was speculation that the prince, 68, might have another meeting in the not too distant future with Phnom Penh Prime Minister Hun Sen in a bid to try break deadlocked peace talks on Cambodia. Prince Sihanouk made no statement when he arrived here after a three-week stay in China and North Korea.

During his visit to Beijing, the prince held talks with top Chinese leaders. According to sources in his office, he will travel from here to a northern Cambodian site controlled by his forces and known as Sereipheap. In late February, he chose that site, located across from Thailand's border province of Surin, for the return to his homeland after years of exile in late February. Also returning from Beijing where he had a meeting with Prince Sihanouk, Thai Foreign Minister Sitthi Sawetsila said late Tuesday the prince had told him he would meet with Mr. Hun Sen if the Phnom Penh leader "requested an audience." [passage omitted]

Military Wants 'Neutral Camps' on Border

BK0404011590 Bangkok THE NATION in English 4 Apr 90 p 2

[By Kokhet Chanthaloetlak]

[Text] Supreme Commander Gen [General] Sunthon Khongsomphong said yesterday that the proposed "neutral camps" for Cambodian refugees should be built on the Thai-Cambodian border as a compromise between the Thai government and the military. Sunthon has voiced opposition to Prime Minister Chatchai Chunhawan's proposal to build the camps inside Thailand, saying that the Thai government has been burdened by the refugees for a long time and that "it's time the Cambodians took care of themselves." When asked by reporters yesterday which locations for the camps would be acceptable to both the government and the military, the newly appointed armed forces commander said: "Maybe at the Thai-Cambodian border." He said agencies concerned with establishing the camps need to discuss the issue further.

A recent meeting of the National Security Council, the Interior and Foreign ministries and the Supreme Command resolved that the camps should be established on Thai soil. The neutral camps are aimed at freeing refugees from control of resistance Cambodian factions, which now supervise many existing camps at the Thai border for political and military gains. The Thai government also hopes the plan will hasten refugee repatriation once the Cambodian conflict is settled. Sunthon said a certain camp run by the military was already being operated under the concept of neutral camps. The military camp has provided refugees with job training so that "they can help themselves when they return to Cambodia," he said. "We just don't call it a 'neutral camp'," Sunthon added. He was referring to the Khao I-Dang camp in Prachin Buri where a repatriation preparation centre is located. International human rights activists have warned that the neutral camp plan would lead to forced relocation of Cambodian refugees, who serve as political bases for the resistance guerrillas, into guerrilla-controlled areas inside Cambodia.

Trade Talks With USTR Requested This Month

BK0304021590 Bangkok BANGKOK POST in English 3 Apr 90 p 24

[By Ratchaphon Laowanit]

[Text] Thailand has requested formal talks be held with the United States Trade Representative [USTR] on bilateral trade problems this month before it submits a report to President George Bush concerning Thailand's performance on lingering disputed trade issues. A Commerce Ministry source said the ministry sent a telefax to the USTR yesterday calling for consultations on overall trade issues affecting the two countries. The source said the meeting proposal came as the Thai Government was gravely concerned by the one-sided USTR's 1990 national trade estimate report on Thailand and wanted the opportunity to clarify the USTR's allegations on various trade matters involving this country. Thailand is among 35 countries which were charged by the USTR with having erected unfair trade barriers against US products.

The report is the first step for the USTR in drawing up a "hit list" of priority countries that the US administration will target for intensive negotiations aimed at getting the offending barriers eliminated. The source said the priority list would be completed on April 30 and then submitted to President Bush for approval. Thailand is currently included in the "priority watch list" together with other seven countries as the USTR is still dissatisfied with the progress of these countries in resolving disputed trade issues, mainly intellectual property rights [IPR]. Washington had given the eight countries six months, or until May, to take further action on the IPR issue before it decides whether to remove them from the watch list or upgrade them to the priority list. This would make them subject to unfair trade retaliation under Section 301 of the 1988 Trade Act. The source said instead of limiting the proposed talks to just IPR, the Thai side wanted to include all other disputed trade problems in the negotiations.

In its report, the USTR said it viewed positively the action taken by the Thai Government on IPR, referring to the formation of a working group to amend the patent law. The working group is headed by Permanent Secretary for Commerce, Phatchara Itsarasena. However, Washington is still concerned about market accessibility for US exports, particularly the tariff and non-tarrif barriers imposed by the Thai Government. The source said the Thai side would tell the US that it had informed the General Agreement on Tariffs and Trade about its plans to reduce import tariffs. The source said Thailand would also take the opportunity to hold talks on the cigarette and textile issues.

Minister on U.S. Textile, Cigarette Talks

BK0404093390 Bangkok Domestic Service in Thai 0530 GMT 4 Apr 90

[Text] The commerce minister disclosed that Thailand and the United States have been having their second round of negotiations on textiles since January. Commerce Minister Subin Pinkhayan told the following to reporters at Government House this morning:

[Begin recording] [Subin] We have to continue talks to reach a new agreement, because the first round of talks last year on the United States' setting up a total import quota on our products failed due to some misunderstanding. Therefore a second round of talks is necessary and has been going on since January. These talks deal with the details of the import quota.

[Reporter] I have learned the U.S. Congress is trying to push for a new law allowing import quotas to increase by only one percent. Will this have a big impact on our products?

[Subin] Yes, they are trying to, but I think it is impossible because the United States is a trading partner of countries all over the world. If they only fix a one percent increase, it will be too little.

[Reporter] Will there be an impact on Thailand if the U.S. Congress goes on with such a move?

[Subin] Yes there will be a big impact. Anyway, I think it would be impossible, because the United States is governed by the rules of the MFA [Multifibre Arrangement].

[Reporter] How about the Thai-U.S. cigarette issue? What is the latest development?

[Subin] Around the second week of April there will be a meeting of GATT juries when both the United States and Thailand will be allowed to clarify their points of view. We are ready to send our chief delegate to clarify the matter.

[Reporter] On that occasion, is there any possibility that we can reduce pressure from the United States?

[Subin] Yes there is, as we have several reasons for not allowing the import of foreign cigarettes. We will have to explain them to the meeting of GATT juries. [end recording]

Official on Exports to United States Under GSP

BK0404013590 Bangkok BANGKOK POST in English 4 Apr 90 p 19

[Text] Exports of Thai products to the United States under the Generalised System of Preferences (GSP) jumped by about 40 percent last year. A Foreign Trade Department [FTD] official said yesterday Thailand exported around $1,000 million worth of goods under GSP privileges to the US in 1989 compared with $714 million in the previous year. He attributed the steep rise to increasing awareness among Thai exporters of means to maximise the special tariff treatment given by Washington to various Thai products sold in the US.

The official said last year's exports of Thai goods enjoying GSP status accounted for 25 percent of the $4,000 million worth of overall exports to that country.

compared with 20 percent in the previous year. The official said also that Washington was expected to announce this month its annual review of GSP granted to developing countries, and two Thai products might be removed from the list. Christmas tree light sets and magnetic video tape recordings, listed under custom tariff Nos. 9405300 and 85211000 respectively, are likely to be excluded from July this year. This is based on the grounds that their export values increased sharply last year and exceeded the competitive need limit of $88.88 million set by Washington.

Another two products, insulated ignition wiring harnesses and sweet corn, under Custom Tariff Nos. 85443000 and 20058000 respectively, may also be deprived of GSP status, as exports of these products increased sharply last year. However, insulated ignition wiring harnesses may still qualify for GSP status as the import value of these products from Thailand fell below 50 percent of total US imports, although Thai exports of these last year exceeded $88.88 million. Sweet corn may also retain GSP status as total US imports of these products were below $10.44 million, although Thailand had a 70 percent share of imports. Meanwhile, FTD deputy director-general Kroekkrai Chiraphaet said he was confident that Washington would be satisfied with efforts by the Thai Government to deal with labour abuse and provide acceptable rights to labourers. "Personally, I believe that the US will maintain the GSP status for Thailand," he said.

Japan To Adopt Tight Control on Travelers

BK0204023990 Bangkok THE NATION in English 2 Apr 90 p 4

[By Kunlachada Chaiphiphat]

[Excerpts] Japanese immigration authorities plan to adopt stringent control on Thai travellers, particularly women, and institute heavier penalties against overstayers as part of a crackdown on prostitution and illegal foreign workers, Foreign Ministry sources said. Under Japan's new immigration law, illegal immigrants, overstayers and unlicensed workers will be punishable by a maximum of three years in jail and a fine of up to three million yen, or about Bt480,000. The new law will become effective in June, the sources said.

Under existing immigration laws, the penalty for the offences is deportation. Last year, 1,360 illegal Thai immigrants and overstayers were deported from Japan. Of these, 978 were women, most of whom held tourist or transit visas. As well, over 1,000 Thai nationals were barred from entering Japan last year. In recent years, Thai prostitutes have been transported to Japan with the help of Japanese gangsters known as Yakuza. [passage omitted]

The Foreign Ministry issued new passports with machine-readable codes last month as an effort to prevent forgeries. About 300 passport forgeries were reported last year, mainly in Japan. The police source said several dozen women who have been deported from Japan were able to sneak back by adopting new names or switching their names on different house registrations. "Some even have plastic surgery to fool consular officials here," the source said. Many women have also arranged to marry Japanese men as a way of moving to Japan legally. Earlier this month, Malaysia's Sarawak State imposed a ban on single Thai women as a part of efforts to curb prostitution. Thai women are required to show marriage certificates when they apply for visas to the eastern Malaysian state.

Four Nigerians Arrested With Heroin 2 Apr

BK0304015190 Bangkok THE NATION in English 3 Apr 90 p 4

[Text] Anti-drug police yesterday arrested four Nigerians and seized 3 kg of heroin in Pratu Nam as a senior drug enforcement official said Nigeria is becoming a major transit point for Asian heroin destined for Europe and America. Police claimed the four suspects were caught in a guesthouse while preparing to conceal the drug in gloves and balloons. They were quoted as saying they planned to smuggle the drug to America.

The arrest came after Pol Maj Gen [Police Major General] Kowit Phuphanit, chief of the Police Department's narcotics suppression centre, said many of the 350-400 Nigerians who visit Thailand each month have smuggled drugs with them on their way out. He said his unit alone has arrested 41 Nigerians and seized 90 kilogrammes of heroin in the first three months of this year. Kowit said Nigerian drug couriers also operate out of India, Pakistan and Bangladesh. He added that the Police Department has asked the interior and foreign ministries to consider withdrawing Nigeria from the list of 55 countries whose citizens can enter Thailand and stay for 15 days without a visa. Police said they are keeping a close watch on Nigerians in Bangkok, especially those living in "Nigerian town" behind the Indra Regent Hotel in Pratu Nam. At least 15 Nigerians were arrested in Bangkok last month with over 20 kg of heroin. Nine of them had swallowed the drug after packing it in condoms. Kowit said besides Nigerians, Ghanians and Zaireans have been arrested for drug smuggling. Drug enforcement authorities have seized a total of about 300 kg of heroin in the first three months of this year.

Deputy Prime Minister Phong Sarasin said yesterday he and Pol Maj Gen Chaowalit Yotmani, secretary general of the Office of the Narcotics Control Board [NCB] will attend an international narcotics supression meeting in London on April 9-11. He said the Thai delegation would brief the meeting on Thailand's efforts to combat drug smuggling out of the Golden Triangle, an opium growing area straddling Thailand, Laos and Burma. "Thailand's improved infrastructure makes smuggling easier," he said. Commenting on a US court's indictment of heroin kingpin Khun Sa, Phong said Thai authorities had been following his movements. But Phong, who oversees the NCB, said Khun Sa was inside Burma and no action could be taken against him. The deputy premier also said that US officials should be more specific when they talk about official corruption in Thailand's narcotics-control efforts. He was commenting on a charge by Melvyn Levitsky, assistant US secretary of state for international narcotics matters, that corruption in Thailand has hampered efforts to stem the flow of heroin.

Vietnam

Air Defense Corps Commander's Article on Tasks

BK0304094190 Hanoi Domestic Service in Vietnamese 2330 GMT 29 Mar 90

[Article by Major General Vu Trong Canh, commander of the Air Defense Corps, published in "recent issue" of QUAN DOI NHAN DAN, "Dealing with the attention given to human resources and technical equipment—two fundamental factors that have made up the Air Defense Corps' fighting strength in past years"]

[Text] In the current undertaking to build and defend the socialist fatherland, the primary political duty of the Air Defense Corps is to firmly control and defend the fatherland's airspace. Because of the special nature of the task of guarding the skies, units of the Air Defense Corps—which include radar, missile, and antiaircraft artillery units—must always stand ready, be it in wartime or peacetime, to fight and maintain an around-the-clock combat alert in order not to be caught off-guard. Consequently, regularly and constantly enhancing fighting strength always constitutes a pressing requirement for the Air Defense Corps. Proceeding from experience gained in combat and construction activities in peacetime as well as in wartime, the corps' leading and commanding echelons have concluded that of the various factors in enhancing the corps' fighting strength, human resources and technical equipment are the two fundamental factors that merit equal attention.

Since the first antiaircraft artillery unit was set up on 1 April 1953, the Air Defense Corps has experienced 37 years of combat, construction, maturity, and glorious victories. Along with the achievements and armed exploits scored in combat, generations of air defense cadres and combatants have upheld, developed, and immortalized the lofty image of Uncle Ho's soldiers. At the same time, they have built up the fine traditions of Vietnamese air defense combatants—namely being boundlessly loyal to the party, the fatherland and the people; being ready to accept and outstandingly perform any task; taking aim and opening fire directly at the enemy with valor and steadfastness; winning victory right from the first battle engagement, the first salvo of fire, and the first missile; shooting down enemy aircraft on the spot; defeating enemy maneuvers under all circumstances with resourcefulness and creativeness; constantly striving to master modern weapons and technical equipment; cherishing, preserving, maintaining, and making good use of weapons and equipment; uniting and coordinating with one another to score achievements collectively; ensuring a high level of internal solidarity, singlemindedness, and strict and self-imposed discipline; forging a flesh-and-blood bond with the people and joining them in fighting and winning victories; and upholding the lofty spirit of proletarian and socialist internationalism.

In the current situation, paying attention to the human factor is meant to firmly uphold and bring into play the fine traditions of air defense combatants. In the recent past, leading and commanding echelons of the corps have made intensive efforts to realize this through ideological and organizational activities as well as through the implementation of various systems and policies. In those units where leaders and commanders stressed only a single aspect, unevenness in quality and estrangement from reality would result. Ideological work, which is the number-one duty, has been scrupulously carried out by all echelons of the corps. Standard practice in leadership, education, and management has wrought a firm grasp of the ideological thinking of cadres and combatants. Along with organizing political discussions to study resolutions of the party central committee and its military commission and promptly setting ideological orientations for cadres and combatants when the domestic and international situation develops in a complicated manner, all units have paid attention to inculcating troops in the nature and tradition of the armed forces as well as in the traditions of the corps and their own. They clearly identify the enemies and definine the ideals and objectives of socialism and the responsibilities of air defense combatants in the undertaking to build and defend the fatherland.

Over recent years in particular, the atmosphere of democracy and openness has been developed in the right way. Leading and commanding cadres at all echelons and units belonging to the corps have visited grass-roots units where they personally hear the opinions and aspirations of combatants, talk with the latter, and promptly help solve the problems of lower echelons, thus establishing a close relationship between the party and the masses and between cadres and combatants. To fulfill all tasks in an effective, realistic, even, stable, and standardized manner, the corps has determined that it is necessary to improve the quality and efficiency of unit-building work in the political field, with attention focused on enhancing the leadership capability and militancy of party organizations. Under this guideline, leadership and guidance at the corps and divisional levels have been strongly directed at grass-roots units to bring into play the latter's role as well as their dynamism and creativeness. This has led to the emergence of firm and strong radar stations, antiaircraft artillery companies, and missile battalions, which serve as the backbone for building strong regiments and divisions, thus making each of these units truly become a firm link in the national air defense system for controlling and defending the fatherland's airspace.

The contingent of cadres is supposed to play a key role in building and improving the Air Defense Corps' fighting strength. As the corps is equipped with increasingly more modern weapons and technical means, the quality of the contingent of air defense cadres has constantly been improved so they can fulfill their tasks. To date, 100 percent of air defense cadres at all echelons have attended refresher courses given by the various training schools. At present, a number of comrade leading cadres in charge of divisions, schools, brigades, and regiments are engineers or doctoral candidates in military science.

Concern for the human factor has also been concretely manifested by the fact that the corps' leading and commanding echelons have heightened the sense of self-sufficiency and made every effort to improve the living and working conditions of cadres and combatants. They have also made every effort to work out systems and policies to alleviate the nation's economic difficulties and soldiers' deprivations and hardships. Between 1987 and the present, on a yearly basis, the corps has, through productive labor and economic development, been able to meet approximately 20 percent of the overall fund supplied by higher echelons. Almost everywhere, the corps' housing facilities have been made of bricks and tiles. All units have used part of the benefits generated by supplemental economic development programs to improve the quality of soldiers' material and spiritual life, have paid due attention to soldiers' meals, and have purchased equipment to give everyone access to information. Noteworthy is the fact that in spite of these gains, all units have satisfactorily observed the corps' four rules as follows: Efforts must be made to avoid improper use and damage of weapons and equipment; to guard against violations of state law and army discipline; to concentrate on one's key task of undergoing training and securing combat readiness; and to guarantee democracy, openness, and fairness when it comes to distributing and using the fruits of everyone's labor.

The Air Defense Corps has been equipped with increasingly modern technical means. At present, the corps' numerical strength and weapons and equipment have increased very considerably compared with wartime. Therefore, along with paying attention to the human factor, the corps' leading and commanding echelons have attached due importance to efforts to guarantee technical standards in order to enhance the corps' fighting strength. As far as our country is concerned, socioeconomic development in general and national defense industry development in particular are both slow. As a result, most—if not all—of the modern weapons and equipment that the Air Defense Corps has at its disposal have been supplied by the fraternal socialist countries, first of all the Soviet Union. The most difficult technical problem at present lies in the fact that even though facilities used in combat, training, combat alert, and technical maintenance are of modern quality, they are subject to normal wear, tear, and obsolescence and lack compatibility. These conditions have made it very difficult to complete repair and replacement work.

Faced with this situation, in 1987 the party committee of the Air Defense Corps issued a resolution on technical work together with this guiding thought, which called for efforts to develop to a high degree a sense of self-reliance to improve the standards of repair and maintenance both on the battlefields and in depots and workshops, as well as to develop the tradition of carefully protecting and using weapons, equipment, and war material by Air Defense Corps combatants. After two years of implementing this resolution, good initial results have been obtained from technical work. Apart from protecting and maintaining weapons and military equipment under regular, daily, weekly, and monthly systems, various units have built tens of thousands of square meters of shelters for military equipment and vehicles. Many units have been able to ensure that all of their military equipment and materials are sheltered according to the prescribed standards. It is for this reason that all missile, antiaircraft, and radar units have always been able to firmly ensure technical and combat efficiency. Some of these units have even exceeded the norms set by the higher echelons.

Concern for the technical factor has also been manifested by the fact that the corps has paid attention to building, training, and fostering the contingent of technical cadres, personnel, and assistants to levels of even higher quality. It is these technical cadres, personnel, and assistants who have in the recent past served as a core force in protecting, maintaining, and repairing military equipment to support combat activities, and played a leading role in the movement to develop innovations for technical improvement. Many of the innovations developed by these brothers for technical improvement have truly become part of various military scientific and technological projects of national defense significane and high economic value. Typical of these have been the modification and successful manufacture of various types of flying tragets for missile and antiaircraft firing exercises with the aim of improving the fighting standards of units responsible for fire power.

Fighting strength must be mustered from and created by many factors. However, due to the characteristics of the task of defending the fatherland's airspace, the Air Defense Corps has to remain always on the alert. Its combat time is calculated by minute and second, and its combat activities require a high level of collective coordination—from coordination between the gunners and operators in a gun crew, in a control center, or on a radar site to coordination between the corps itself and the Air Force, the civil aviation service, and air defense forces throughout the country. It is for this reason that the human and technical factors are regarded as the first two fundamental factors that create the fighting strength of the corps.

Air Force Function Marks First Victory 3 Apr

BK0404074790 Hanoi Domestic Service in Vietnamese 2300 GMT 3 Apr 90

[Text] The Air Force Command on 3 April held a solemn ceremony to mark the 25th anniversary of its first air battle victory. Attending the ceremony were General Doan Khue, member of the Communist Party of Vietnam [CPV] Central Committee Political Bureau, deputy minister of defense, and chief of the Vietnam People's Army [VPA] General Staff; Pham The Duyet, secretary of the CPV Central Committee and secretary of the Hanoi party committee; General Vo Nguyen Giap, member of the CPV Central Committee and vice-chairman of the Council of Ministers; Senior Lieutenant General Dao Dinh Luyen, member of the CPV Central Committee and deputy minister of national defense; Lieutenant General Nguyen Trong Xuyen, member of the CPV Central Committee and deputy minister of national defense; Senior Lieutenant General Nguyen Nam Khanh, member of the CPV Central Committee and deputy head of the VPA General Political Department; Lieutenant General Tran Hanh, deputy chief of the VPA General Staff; General Van Tien Dung, member of the CPV Central Committee; and many representatives from military regions, armed services and branches, and military institutions and schools.

Major General Pham Thanh Ngan, commander in chief of the Air Force delivered a speech stressing the process of fighting and struggling to build the Air Force during the past 25 years. General Doan Khue, on behalf of the Ministry of National Defense, commended the heroic Air Force for its encouraging achievements scored since the first air battle victory 25 years ago. The general stressed: On the basis of the resolution of the Military Commission of the CPV Central Committee and in response to the current situation, the Air Force should integrate efforts on strengthening the political domain, enhancing consciousness in socialism, upholding revolutionary vigilance, and strengthening its cadres' combat impetus and organizational and disciplinary consciousness. The Air Force must also make efforts to consolidate and enhance its combat readiness ability, promptly and effectively deal with the enemy's schemes of sabotage under all circumstances and in unexpected conditions, strive to consolidate and improve flight and crew training, step up practical combat drills, and firmly ensure flight safety. The Air Force should stand firm in the political domain under all complicated circumstances, resolutely fulfill all combat duties, contribute to defending the independence, sovereignty, territorial integrity, and security of the fatherland while striving to protect socialism and satisfactorily fulfill international obligations.

Article Examines Air Force Flight Training

BK0304142390 Hanoi Domestic Service in Vietnamese 1400 GMT 2 Apr 90

[Pham Quoc Huy article]

[Summary] It would not be right to say flight training in the Vietnamese Air Force was more intensive last year than in previous years. "However, in general, all mission requirements were fulfilled because of the quality of flight training and the combat preparedness of the Air Force, despite a great deal of difficulty in terms of aircraft, equipment, and flight suits," which directly affected the progress and safety of flight training.

During 1989, training flights were conducted in nearly all units, using all types of aircraft. In the beginning of the year, units were allowed to reduce flight time and conduct less intensive training than in previous years, while their flight equipment and flight suits were inspected. "Flights in complicated weather conditions remained one of the main tasks in raising the ability and leadership of pilots and the combat preparedness of units." The problem was the need to race against time. If units did not have training plans relevant to each season's weather conditions, it was impossible to carry out training. "Using the experience of many previous years, the S-71, C-29, C-16, and C-18 groups conducted training flights in complicated weather conditions and achieved good progress and high quality." The combat training of both new and old fighter pilots was also intensified in units. "An encouraging result was that during 1989, the Air Force conducted more than 20 flights to fire rockets at and drop bombs on sea targets and to fire rockets at aerial targets." Inspections showed that 70 percent of the trainees scored excellent results.

"Training flights over water was also one of the central tasks that the S-72 group emphasized;" training was conducted in fighting and the reconnaissance of targets in the air and on the water. "C-35 unit of the S-70 group, C-27 of the S-71, and C-18 unit also conducted training flights over water." The training flights were a challenge for units and required a high sense of organization and operation and excellent flying by pilots, and accurate communications equipment. "During flights over water, pilots can mistake the surface of the sea for the sky because they are the same color, while ground features are nonexistent and pilots must rely entirely on control panel equipment and meters aboard the aircraft and on communications with ground control." Last year's training flights over water indicated a great effort by the entire force. The training fulfilled the requirements of the duty to defend the country's islands and critical off-shore economic zones.

It can be said that basic and advanced training of young pilots and new flying groups for standby combat duties were also maintained in all units. "The organizational and command standard of C-37 group was successfully raised." Last year, the group took the lead in the Air Force for its training quality and flight safety. It is now assuming its heavy assigned task of replacing the C-23 group, which withdrew to its former position."

Entering 1990, "Air Force headquarters has provided guidance for the main activities to improve the quality of flight training." One measure is to increase formation flights when conditions permit in order to ensure training progress while reducing the number of takeoffs, landings, and flying time. Last year, some units bided their time, waiting for good weather conditions. "As a result, they were unable to carry out some training subjects or achieve high training results." Besides new measures and guidelines, the Air Force has also intensified its inspection and control to ensure flight safety and prevent accidents.

Official Interviewed on State Treasury Tasks

BK0304120890 Hanoi Domestic Service in Vietnamese 2300 GMT 30 Mar 90

[Interview with Nguyen Sinh Hung, head of the State Treasury Department, by unidentified station correspondent; date, place not given—recorded]

[Text] [Correspondent] Dear comrade, according to the Council of Ministers' recent decision, the State Treasury will officially assume its duties from 1 April. Will you please elaborate on why is it necessary to have the State Treasury?

[Nguyen Sinh Hung] Yes, it is correct that the State Treasury, which is attached to the Ministry of Finance, will start its official operation from 1 April. Earlier, the Council of Ministers chairman issued Decree No. 45 establishing the Exchequer Department attached to the Finance Ministry, which was responsible for printing and managing money of the state, including gold, silver, rare metals, and precious stones. Since the establishment of the Vietnam National Bank in 1951—the Vietnam State Bank at present—and together with the reorganization of mechanisms of ministries and corresponding agencies, the government entrusted the Vietnam State Bank with the task of managing the state budget funds. Since then, the Vietnam State Bank has assumed both the state management and business operation functions dealing with money and credits. When the state subsidized system is prevalent, the State Bank has to engage in distribution of funds, as does any other financial agency.

At present, however, the banking system has been renovated. Especially since the Sixth Communist Party of Vietnam [CPV] Congress, the system has been gradually, truly shifted to socialist business and economic accounting. Thus, it is no longer suitable for the State Bank to engage in managing the state budget funds and other financial reserved funds. As a result, it is rational to set up the State Treasury attached the Ministry of Finance to take up tasks transferred to it by the State Bank, which include the management of state budget funds and financial reserved funds as well as money lending from the people and paying debts to the people.

[Correspondent] Would you please elaborate more about the tasks and activities of the State Treasury?

[Nguyen Sinh Hung] According to the Council of Ministers' decision, the State Treasury is responsible for five authorized tasks: First, to manage the state budget funds and deposits made by various units; integrate collections of state revenues; and distribute budgets to various ministries, sectors, localities, and units as have been approved by the state. Second, directly get in touch with units to collect state revenues and handle payments in cash or by remittance to economic and administrative units entitled to receive budget allocations. Third, organize the mobilization and management of funds deposited by the people and handle payment of debts to the people. Fourth, manage state financial reserved funds, which include integrated foreign currency funds and state financial reserved funds including gold, silver, rare metals, precious stones, other assets and money temporarily retained pending transfer, and confiscated items. Fifth, depending on the necessary conditions and situation, the State Treasury can carry out tasks authorized by the State Bank in localities where there are no agencies of the bank.

[Correspondent] Would you please elaborate more clearly on the scope of activities of the State Treasury?

[Nguyen Sinh Hung] According to the new model, the State Treasury has a wide scope of activities, extending from the central down to the district levels. Its functions and tasks are similar to the organizational model of a special bank. It has extensive relations with business agencies, collectives, and individuals in collecting money and handling payments to units. The State Treasury maintains a close relationship with the State Bank and is one of the financial and monetary management organs of the state. The State Treasury must also organize sources of income for the state budget through various credit forms, such as the issuance of government bonds, letters of credit, fixed bonds, and other forms at home and abroad. While facing budget overdraft, this task is of prime importance. In addition to the management of state financial reserved funds transferred to it by the State Bank, the State Treasury must also manage the state integrated foreign currency funds, other assets and precious items on display at various national museums, money and assets temporarily retained pending transfer, travel fees, and assets temporarily confiscated from Vietnamese citizens and foreigners.

[Correspondent] What are the State Treasury's other tasks, besides protecting and preserving state properties?

[Nguyen Sinh Hung] The State Treasury not only has the duty of protecting and preserving state properties, but it is also responsible for using them effectively to gain income for the state.

[Correspondent] Since the State Treasury's operations go from the central down to local levels, what are the relations between the treasury and echelons of the administration and financial and banking agencies?

[Nguyen Sinh Hung] The State Treasury system has been uniformly organized, and it operates from the central down to the local levels. It has a close relationship with echelons of the local administration and financial and banking agencies. First, I would like to mention the relations between the State Treasury and people's committee echelons. The State Treasury is a financial organ of the state and the administration; it is responsible for managing finances and providing budgets for various administration echelons. It helps local administrations and financial agencies collect revenues and transfer them to the state budget, manage the state's reserve funds, and ensure the smooth operation of local financial and banking agencies.

As a result, echelons of the local administration and financial agencies are duty bound to ensure the effective organization of cadres and material bases for the State Treasury. The State Treasury is subject to control and inspection by people's committee echelons on issues of state management functions at the local level to ensure a unified implementation of the State Treasury mechanism's tasks and functions. Moreover, the State Treasury is an organ of the unified financial system and is subject to control by state financial organization echelons on issues on implementing financial regulations. It is responsible for coordinating with financial agency echelons in supervising and controlling the collection and use of the state budget, and for providing information and reports to financial agencies echelons on its activities and on collection and use of the state budget.

[Correspondent] Would you please elaborate on relations between the State Treasury and the banking system?

[Nguyen Sinh Hung] Now that the State Treasury has been established, it handles current accounts and payment transactions. As a result, there is a very close relationship between the State Treasury and the banking system, especially in rotating capital for the benefit of the national economy. The bank ensures cash payments to the State Treasury in accordance with plans, using reserved deposits at the bank. This regulation helps the bank effectively carry out its money circulation function. If money at the State Treasury is running out due to a slow transfer of money, the State Bank will temporarily advance funds to the State Treasury or the Central Budget to ensure its smooth operation.

[Correspondent] Would you please elaborate on procedures for cash and remittance payments?

[Nguyen Sinh Hung] Payments in cash or by remittance for production and business units can be accomplished by opening accounts at the State Treasury. The relationship between the State Treasury and these units is one of those who provide services and those who receive services. In regulating the collection and use of the state budget as well as in collecting money from or paying debts to these units we must ensure correct implementation of the state financial management principle while providing every convenience to the clients.

[Correspondent] Could you please elaborate further on coordination between financial agencies and the State Treasury?

[Nguyen Sinh Hung] Financial agencies, including those state-run agencies responsible for collecting state revenues, and industrial, trade, and agricultural taxes, must closely coordinate with the State Treasury in satisfactorily supervising the prompt, full collection of state revenues for transfer to the State Treasury in order to ensure prompt payments to units and clients. The State Treasury settles payments in accordance with orders issued by the financial agencies. However, the State Treasury has the right to reject payments if money reserves are running out or if it finds that an expenditure is inconsistent with regulations. The most important thing is that organizations and units must fully transfer revenues to the state and strictly fulfill obligations to the state budget and financial agencies to ensure the continuation of revenue collection and sufficient budget reserves so the State Treasury can promptly meet demands for payment.

[Correspondent] Thank you very much, comrade.

Tax Collection Increases in Southern Provinces

BK0404042090 Hanoi Domestic Service in Vietnamese 0500 GMT 3 Apr 90

[Text] According to a report by the Revenue Department, as of 31 March the total industrial and trade taxes collected in 23 southern provinces and cities amounted to about 92 billion dong or more than 70 percent of the total amount collected nationwide. Many localities have made positive changes which have increased their tax collections remarkably as compared to the corresponding period last year. Activities of the tax sector and implementation of the tax law by various units, economic organizations, and industrial and trade households have achieved progress.

Following a survey in seven localities, the tax sector listed 23,800 households in its tax roll, 15,000 of which are in Ho Chi Minh City. For quite a long time, subwards and villages in these localities collected taxes for their own budget from these households, which is inconsistent with the regulations. However, the total collection of industrial and trade taxes in the whole region was only 72 percent of the set plan norms for the first quarter of this year. The tax collection shortfall is quite large, while subwards and villages still manage to collect taxes from tens of thousands of medium- and small-business households for their own budget.

VNA Reviews Imports, Exports for 1989

BK0304092190 Hanoi VNA in English 0717 GMT 3 Apr 90

[Text] Hanoi VNA April 3—In 1989 Vietnam's exports and imports were worth about 1,820 million and 2,444 million rubles and dollars respectively.

The export items in greatest demand included rice, crude oil and frozen shrimp. Next came coffee, rubber, coal, tea, ground-nuts, canned vegetables and floorboards.

Leading in terms of export value was Ho Chi Minh City, the export value of which reached 338.5 million rubles and dollars [as received].

Energy Workshop With France Closes 30 Mar

BK3103154990 Hanoi VNA in English 1506 GMT 31 Mar 90

[Text] Hanoi VNA March 31—The workshop on energy planning, personnel training and cooperation between Vietnam and France was closed here on March 30 under the co-sponsorship of the Ministry of Secondary Vocational, Higher Education and Job Training, the Ministry of Energy of Vietnam, and France's International Centre on Energy Policies (CIFOPE).

Papers presented at the 5-day workshop were focussed on matters related to the energy industry in Asian countries, especially Vietnam.

Speaking at the closing session, Vice Chairman of the Council of Ministers Vo Nguyen Giap expressed thanks to France for its cooperation with Vietnam in energy in the forms of loans, personnel training, technology transfer, designing and construction of power factories for Vietnam.

Also present at the closing ceremony were French Ambassador to Vietnam Claude Blanchemaison, and the CIFOPE president, Mr. Deprairies.

Exhibition on French Industry Opens in Hanoi

BK0304094590 Hanoi VNA in English 1637 GMT 2 Apr 90

[Text] Hanoi VNA April 2—An exhibition on French industry, the first of its kind in Vietnam, was opened here this morning by the Vietnam Chamber of Commerce and Industry and the French Federation of Electricity and Electronics Industry (FEEI).

The opening ceremony was attended, on the Vietnamese side by Minister of Energy Vu Ngoc Hai, Secretary General of the Chamber of Commerce and Industry Doan Ngoc Bong, and Vice Foreign Minister Nguyen Di Nien. On the French side were French ambassador Claude Blanchemaison, FEEI President Roger Seguy, and representatives of some 40 French companies.

Industrialists and scientists from Laos, the State of Cambodia, the Union of Myanmar [Burma] and China were also present.

On show are machines and equipment of electricity, electronics and telecommunications and high technology manufactured by French companies.

Speaking at the opening, FEEI President Roger Seguy expressed his federation's readiness to cooperate with the Vietnamese side in personnel training.

Legislative Delegation From Laos Arrives 3 Apr

BK0304160390 Hanoi VNA in English 1531 GMT 3 Apr 90

[Text] Hanoi VNA Apr 3—A delegation of the Lao People's Supreme Assembly led by Thongsing Thammavong, member of the Lao People's Revolutionary Party Central Committee and vice-president of the Assembly, arrived here this afternoon for an official friendly visit.

It was welcomed by Tran Do, member of the party Central Committee and Vice-chairman of the National Assembly Nguyen Viet Dung, Secretary-general of the State Council Vu Mao, member of the State Council and head of the office of the National Assembly and the State Council Vu Khoan, vice-minister of Foreign Affairs, and others.

Lao ambassador to Vietnam Bouasi Chaleunsouk was on hand.

Hungarian Radio Delegation Visits, Signs Pact

BK0204131390 Hanoi Domestic Service in Vietnamese 1100 GMT 1 Mar 90

[Text] At the invitation of the editorial staff of the Voice of Vietnam Radio, a Hungarian radio delegation led by Comrade Istvan Hars, president of the Hungarian National Radio, paid a working visit to Vietnam from 27 March to 1 April. While in Hanoi, the delegation held working sessions with the Voice of Vietnam Radio editorial staff, the Ministry of Information, and the Vietnam Journalists Association. They also visited the sound technology center, a Hungarian-equipped project that will be put into use shortly.

On 28 March, the delegation was cordially received by Nguyen Khanh, vice chairman of the Council of Ministers. On the same day, an agreement on cooperation for the 1990-94 five-year period was signed by Comrade Phan Quang, director general and editor in chief of the Voice of Vietnam Radio and Comrade Istvan Hars, president of the Hungarian National Radio. Under this agreement, the Voice of Vietnam Radio and the Hungarian National Radio will step up the exchange of broadcasting programs and materials, musical programs, and correspondents, and will help each other in work related to vocational training and advanced training. During its stay in Vietnam, the delegation paid a floral tribute to President Ho Chi Minh at his mausoleum, met with representatives of the press in Hanoi, and visited a number of economic and cultural establishments in Hanoi and Ho Chi Minh City. Hungarian Ambassador to Vietnam Oszkar Szurovszky also took part in the delegation's major activities.

Assembly Vice Chairman Meets Mexican Delegates

BK0304030890 Hanoi VNA in English 1634 GMT 2 Apr 90

[Text] Hanoi VNA April 2—Vice Chairman of the National Assembly Phung Van Tuu on March 31 received Alberto Amador, representative of the House and of the Institutional Revolutionary Party (PRI), and Mrs. Marcela Lombardo, representative of the House and of the Socialist People's Party (SPP).

The Mexican guests affirmed their people's respect and friendly feelings toward the Vietnamese people and expressed their wishes for the development of all-round relations between the two national assemblies and peoples.

Vice Chairman Phung Van Tuu expressed sincere thanks to the Mexican Government and people for their fine feelings toward President Ho Chi Minh and considered the Mexican delegates presence at the recent international symposium on President Ho Chi Minh a new expression of the further expansion of the fine relations between Mexico and Vietnam.

Panamanian People's Party Greeted on Anniversary

BK0404021890 Hanoi VNA in English 1558 GMT 3 Apr 90

[Text] Hanoi VNA April 3—The Communist Party of Vietnam Central Committee has extended its greetings to the Panamanian People's Party [PPP] Central Committee on the PPP's 60th founding anniversary.

The congratulatory nessage says: "Your party is the vanguard of the struggle waged by the revolutionary and progressive forces for the execution of the agreement on the Panama Canal and the termination of U.S. aggression in Panama, thus making a positive contribution to the Panamanian people's just fight and to the common struggle for peace, national independence, democracy and social progress in Central and Latin America and all over the world."

It wishes the solidarity and friendly relations between the parties and peoples of the two countries constant consolidation and development.

Joint Enterprise Pumps 3 Millionth Tonne of Oil

BK0404083690 Hanoi VNA in English 0744 GMT 4 Apr 90

[Text] Hanoi VNA April 4—The Vietnam-USSR Petroleum Joint Enterprise (VIETSOVPETRO) pumped out the three millionth tonne of crude oil from the oil field off the coast of the Vung Tau-Con Dao special zone on March 29.

Last year, VIETSOVPETRO tapped 1,517,300 tonnes of crude as against the planned 1.41 million tonnes.

VIETSOVPETRO, set up nine years ago, is the first Vietnam-USSR joint venture in exploring and extracting oil and gas on Vietnam's continental shelf. On June 26, 1986, it pumped out the first barrels of crude from the same field.

Australia

Prime Minister Hawke Announces New Cabinet

BK0304080890 Melbourne Overseas Service in English 0500 GMT 3 Apr 90

[Text] Australia's Prime Minister Mr. Bob Hawke has announced a new ministry following the Labor Party's victory in last month's federal general election. The 30-member ministry was elected at a meeting of the federal labor party in Canberra and will be sworn in by the governor general, Mr. Bill Hayden, tomorrow.

At a similar time to the Labor meeting, the opposition elected a new leader, Dr. John Hewson, to replace the outgoing leader, Mr. Andrew Peacock, who stepped down after failing to win the 24 March election. Dr. Hewson's deputy is Mr. Peter Reith, who defeated the incumbent deputy, Mr. Fred Cheney, and six other candidates. Under the government's rearrangements, the treasurer, Mr. Paul Keating, has been elected deputy prime minister to replace Mr. Lionel Bowen who has retired from Parliament. There are four new members of cabinet. They are:

—Miss Ros Kelly from the Australian Capitol Territory, who becomes minister for the arts, sports, the environment, tourism, and the territories;
—Mr. Gerry Hand from Victoria, who will be minister for immigration, local government, and ethnic affairs;
—Senator Peter Cook from Western Australia who becomes minister for industrial relations; and
—Senator Nick Bolkus from South Australia who becomes minister for administrative services.

And eight of the 30 members of the previous cabinet retained their portfolios. They include:

—Senator John Button who remains industry, technology and commerce minister;
—Senator Gareth Evans, foreign minister;
—Mr. John Dawkins, education minister; and
—Mr. John Kerin, primary industries and energy minister.

The defense minister, Mr. Kim Beazley moves to transport and communications; Mr. Michael Duffy moves from trade negotiations to attorney general; Dr. Neal Blewett moves from health to trade negotiations; and Senator Robert Ray moves from immigration to defense.

AFP on 'Sweeping' Changes

BK0304095090 Hong Kong AFP in English 0905 GMT 3 Apr 90

[By Michael Collins]

[Text] Canberra, April 3 (AFP)—Australian Prime Minister Bob Hawke announced sweeping ministerial changes Tuesday [3 April] installing Treasurer Paul Keating as his deputy and heir apparent in a bid to inject new life into his Labor government. The moves followed Labor's scare in general elections in March that left it with a reduced parliamentary majority, amid a sharp voter backlash against Canberra's tight monetary policies.

Mr. Hawke, in the biggest reshuffle of his seven years in power, introduced four new faces to his 17-member cabinet, the senior decision-making body. Eight of the 13 junior ministers of his 30-member front-bench team are new, replacing those who were either promoted, dropped or who resigned. Many portfolios were reshuffled among members of the outgoing government. All of them will be sworn in Wednesday. Several members of Labor's left wing were dropped from the ministry and replaced with ministers from the party's right wing after days of tough factional negotiations. The conservative opposition also did its own appointing Tuesday, electing economist John Hewson as leader and Peter Reith as deputy at a Liberal Party meeting here.

Mr. Hawke said his reshuffle "provides a combination of experience and new talent which will invigorate the government" and enable it to make the necessary decisions for economic management and reform. Promoted to Mr. Hawke's cabinet were Gerry Hand, immigration, local government and ethnic affairs; Ros Kelly, arts, sports, environment, tourism and territories; Peter Cook, industrial relations; and Nick Bolkus, administrative services. Treasurer Paul Keating, often tipped to replace Mr. Hawke, became deputy prime minister after the retirement of Lionel Bowen. Mr. Keating has made no secret of his impatience to take over the top spot, but he and Mr. Hawke have denied any intention to make a switch during the current term. Gareth Evans retained the portfolio of foreign affairs and trade, Ralph Willis gained the Finance Ministry while Michael Duffy was appointed attorney-general. Outgoing ministers included long-serving Peter Walsh, former minister for finance, and Peter Morris, former minister for industrial relations. Simon Crean, a new member of parliament and—like Mr. Hawke—former president of the Australian Council of Trade Unions (ACTU), became minister for science and technology. Other new junior ministers are Peter Baldwin, David Beddall, Gordon Bilney, Bob Collins, Wendy Fatin, Alan Griffiths and Robert Tickner.

Mr. Hawke said he was confident his new team would provide sound economic management, implement micro-economic reform and sustainable development. But his government faced a difficult term in office because of continuing "external constraints," he said. While Australia must properly concern itself with domestic questions, Canberra would also give great attention to the country's overseas role and its "enmeshment in the region," Mr. Hawke said. The major revamp to the Hawke government was seen as a response to criticism that the government was tired and lacked ideas. Labor appears to have won 77 seats to the coalition's 70, with one seat going to an independent in the March 24 elections, one of Australia's closest polls ever, compared to Labor's 85-63 seat majority in the 1987 voting.

Political observers said the dumping, or voluntary departure, of eight ministers—six of whom had been ministers for the entire seven years of the Hawke government—

could be the radical move needed to inject a new impetus into the government. But the outgoing Mr. Walsh voiced concerns about Australia's economic woes and said he hoped Mr. Hawke and Mr. Keating had the guts to tackle them. Australia's new opposition leader, Mr. Hewson, became the third opposition leader in less than 12 months, gaining the post with the approval of Andrew Peacock, who resigned Tuesday. The Liberals saw Mr. Hewson, 43, as the best campaigner during last month's general elections. But his critics, while acknowledging his economic credentials, were worried at his lack of political experience. Mr. Hewson, formerly an economics professor, director of a merchant bank and economic advisor to the prior Liberal government, only entered Parliament in July 1987.

OTCI Signs Satellite Deal With South Pacific

BK2903165890 Hong Kong AFP in English 1650 GMT 29 Mar 90

[Text] Suva, March 29 (AFP)—Australia's Overseas Telecommunications Commission International (OTCI) signed here Thursday [29 March] a deal to provide cheaper satellite services to the South Pacific using an Australian Government grant.

The deal gives the Cook Islands, Kiribati, Marshall Islands, Niue, Nauru and Tuvalu access to the Pacific Area Telecommunications (PACT) network.

Rod Masterton, manager network and carrier business [as received], said OTCI hoped that smaller island states like Tonga and the Federated States of Micronesia would also join the network.

Mr. Masterton told island delegates here that PACT would be cheaper for island users because they would only pay for satellite time actually used. Users previously had to pay for full-time satellite access.

Director of the South Pacific Forum Secretariat, Henry Naisali, said the project, backed by a 2.6 million dollar (1.94 million U.S.) grant, was a result of three years of research in the islands by OTCI. "We have set in motion a way in which telecommunications will help us attain even closer and better co-operation," Mr. Naisali said. "Now efficient and inexpensive communications within and between our countries will be possible."

OTCI said in a statement released in Sydney that PACT was a custom designed Australian solution to the problems of linking the widely dispersed island nations with their neighbours, their own remote communities and the rest of the world.

Fiji

Marshall Visit Seen as 'Most Significant'

BK0404070190 Melbourne Overseas Service in English 0500 GMT 4 Apr 90

[Text] New Zealand's special envoy to the South Pacific, Mr. Russell Marshall, has arrived in Fiji for a series of talks with political and business leaders. Mr. Marshall arrived from the United States with Dr. John Henderson, chairman of the New Zealand Government's task force investigating the country's role in the region. Another seven task force members had already arrived in Fiji. The AUSTRALIAN ASSOCIATED PRESS [AAP] says Mr. Marshall was expected to meet Fiji's interim prime minister, Ratu Sir Kamisese Mara, while the task force was expected to hold a joint meeting with the interim cabinet. AAP says the visit by Mr. Marshall and the task force is being seen as as one of the most significant development in bilateral relations since they plummeted after the military coups of 1987.